



Pinellas Suncoast Fire & Rescue

**304 FIRST STREET
INDIAN ROCKS BEACH, FLORIDA 33785-2587
(727) 595-1117 FAX: (727) 595-5879
www.psfrd.org**

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**FOR THE FISCAL
YEAR ENDED SEPTEMBER 30, 2020**

**Saltmarsh, Cleaveland & Gund, P.A.
*Certified Public Accountants***

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**COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF
PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**PREPARED BY THE
FINANCE DIRECTOR**

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

BOARD OF FIRE COMMISSIONERS

Joseph Bruni, Chairman

Louis R. Snelling
Vice Chairman

Lawrence G. Schear
Secretary/Treasurer

David Gardella
Fire Commissioner

David B. Ardman
Fire Commissioner

Fire Chief

Finance Director

Michael Burton

David Martin

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INTRODUCTORY SECTION

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

INTRODUCTORY SECTION

Table of Contents	i
Transmittal Letter	vi
Pinellas Suncoast Fire & Rescue District Organization	x
Listing of District Officials	xi

FINANCIAL SECTION

Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Position	15
Statement of Activities	16
Fund Financial Statements:	
Balance Sheet - Governmental Funds	17
Reconciliation of the Balance Sheet to the Statement of	
Net Position - Governmental Funds	18
Statement of Revenues, Expenditures, and Changes in Fund Balances -	
Governmental Funds	19
Reconciliation of the Statement of Revenues, Expenditures and Changes	
in Fund Balance of the Governmental Funds to the Statement of Activities -	
Governmental Funds	20

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
 COMPREHENSIVE ANNUAL FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

	<u>Page</u>
<u>FINANCIAL SECTION (CONTINUED)</u>	
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
General Fund.	21
Notes to Financial Statements.	22
Required Supplementary Information:	
Schedule of the District's Proportionate Share of the Florida	
Retirement System Pension Plan Net Pension Liability	71
Schedule of the District's Contributions to the Florida	
Retirement System Pension Plan	72
Schedule of the District's Proportionate Share of the Florida	
Retirement System HIS Program Net Pension Liability.	73
Schedule of the District's Contributions to the Florida	
Retirement System HIS Program	74
Schedule of Investment Returns	
Florida Retirement System Pension Plan	75
Other Post Employment Benefits	
Schedule of Changes in Net OPEB Liability and Related Ratios.	76
Other Post Employment Benefits	
Schedule of Contributions.	77
Other Post Employment Benefits	
Schedule of Returns	78

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

FINANCIAL SECTION (CONTINUED)

Individual Fund Financial Statements and Schedules

General Fund:

Balance Sheets	79
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual	80

Capital Assets Used in Operation of Governmental Funds:

Schedules by Source	82
Schedules by Function and Activity	83
Schedule of Changes by Function and Activity.	84

STATISTICAL SECTION

Fund Information:

Financial Trends:

Net Position by Component.	85
Changes in Net Position	86
Fund Balances, Governmental Funds	88
Changes in Fund Balances, Governmental Funds.	89
General Governmental Expenditures by Function	90
General Governmental Revenues by Source.	91

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

STATISTICAL SECTION (CONTINUED)

Revenue Capacity:

Assessment Fee Schedule	92
Assessed Value and Actual Value of Taxable Property	93
Taxable Assessed Property by Type	95
Taxable Valuations, Assessments Levied and Collected.	96

Debt Capacity:

Computation of Direct and Overlapping Debt - General Obligation Bonds	97
Legal Debt Margin Information	98

Operating Information:

Full Time Equivalent District Employees by Function	99
Operating Indicators by Function	100
Capital Assets Statistics.	101
Schedule of Insurance in Force	102

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

TABLE OF CONTENTS

Page

OTHER REPORTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on An Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	103
Attestation Report	105
Management Letter	106
Memorandum on Review of Internal Control Structure	109
Management’s Response.	113
Affidavit of Pinellas Suncoast Fire & Rescue District	114

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FIRE CHIEF

Michael Burton

The Board of Fire Commissioners,
District City Commissions and Citizens of the Pinellas Suncoast Fire & Rescue District, Florida

June 1, 2021

The Comprehensive Annual Financial Report ("CAFR") of the Pinellas Suncoast Fire & Rescue District (PSFRD), Florida, for the fiscal year ended September 30, 2020, is submitted herewith pursuant to Florida law and the Rules of the Auditor General of the State of Florida. The CAFR was prepared by the Office of the District Finance Director in close cooperation with the external auditor and associates, and represents the official report of the District's financial operations and condition to the citizens of The District, District Commission, District personnel, the financial community, and other persons interested in the financial affairs of the District. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District.

We believe the data is accurate in all material aspects, that it is presented in a manner designed to fairly set forth the financial position and results of the District's operations as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial activity have been included. To provide a reasonable basis for making these representations, management maintains an internal control structure that provides reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with accounting principles. The concept of reasonable assurance recognized that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. We believe that the District's internal accounting controls adequately safeguard assets and provide assurance of proper recording of financial transactions.

PSFRD's financial statements have been audited by Saltmarsh, Cleaveland & Gund, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Pinellas Suncoast Fire & Rescue District for the year ended September 30, 2020 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Pinellas Suncoast Fire & Rescue District's financial statements for the fiscal year ended September 30, 2020, and are fairly presented in conformity with generally accepted accounting principles (GAAP). The independent auditor's report is presented as the first component of the financial section of this report on Page 1.

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. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Pinellas Suncoast Fire & Rescue District's MD&A can be found immediately following the Report of the Independent Auditor.

THE REPORTING ENTITY

The funds related to the Pinellas Suncoast Fire & Rescue District that are included in our Comprehensive Annual Financial Report represent those funds for which the primary government is financially accountable. There are no other entities or organizations for which PSFRD is financially accountable that should be included in the Comprehensive Annual Financial Report. 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 (being all the funds of the District) shown in the Table of Contents are included in this report.

PROFILE OF THE GOVERNMENT

The Pinellas Suncoast Fire & Rescue District is one of four Independent Special Fire Control Districts within Pinellas County, created by special act of the legislature in 1953. PSFRD proudly serves the residential and business Communities of Belleair Beach, Belleair Shore, Indian Rocks Beach, Indian Shores and the Oakhurst portion of unincorporated Pinellas County. The District is located in the west central section of Pinellas County, Florida next to the Gulf of Mexico. Our overarching goal is to provide all citizens and visitors with the highest level of professionalism and service in their time of need. PSFRD is a full-service fire rescue department with three fire stations and 38 trained EMTs or Paramedics, responding to more than 3,500 calls per year - everything from house fires and heart attacks to car accidents and water rescues; we are here to serve with pride in selfless service.

PSFRD operates under the District Board of Fire Commissioners/District Fire Chief form of government. The District Board of Fire Commissioners is composed of five commission members from the beach cities and the Oakhurst area and, as a group, is responsible for enacting ordinances, resolutions, and regulations governing the District, as well as appointing the Fire Chief and the District Attorney.

PSFRD has a land area of approximately nineteen square miles with a year round resident population of approximately 17,000. The beautiful beaches of the District are a major attraction, so the population swells during full season with a combination of seasonal residents and vacationers of all ages.

The annual budget serves as the foundation for the PSFRD's financial planning and control. Budget requests are submitted to the Fire Chief, who then uses these requests as the starting point for developing a proposed budget. The Fire Chief is required, by the District Charter, to present the proposed budget to the District Board of Fire Commissioners. The District Board of Fire Commissioners is required to hold public hearings for the following fiscal year's proposed budget and to adopt a final budget by September 30, the close of the District's fiscal year. The appropriated budget is prepared by fund and line item which are presented by grouped line items. The Finance Director may transfer any unencumbered appropriation or portion thereof between line items of expenditures provided there is no change to the adopted budget total. The District Board of Fire Commissioners may, by resolution, approve budget amendments as presented by the Fire Chief or transfer any unencumbered appropriation from reserves. A consolidated written monthly Financial Statement and Executive Summary report, with budget to actual comparisons, is presented to the Board of Fire Commissioners, supported by governmental fund statements for each fund that an appropriated annual budget has been adopted.

LOCAL ECONOMY AND OUTLOOK

The Districts FY 2019 — 2020 primary reoccurring funding source was non-ad valorem assessments (\$4,919.7k) and EMS contracted funding (\$1,566.2k). A positive relationship has developed with County staff who are working with PSFRD staff for capital funding, to replace and move station 27 to the mainland portion of the district, through the county's "Pennies for Pinellas" funding program.

The districts two major funding sources are problematic in that non-ad valorem funding is fixed and may only be changed through a favorable public referendum vote. The positive outcome of the November 2018 referendum assessment increase provided some breathing room to prepare for the next referendum to stabilize future funding sources. This fixed non-ad valorem source of funds does not keep pace with customary consumer price indexes, resulting in operational "crisis" versus "proactive" management, eliminating any possibility of General Wage increases, keeping pace with vendor cost escalations or improving our depleting Fund Balance reserves. The second source (EMS tax allocations) continues to fund only two and one half positions. To adequately fund the districts operational and capital needs requires a mix of assessments, ad-valorem tax and EMS funding for three full positions to meet the District's sustainability and its obligations while maintaining adequate Fund Balance liquidity and preparedness for basic cost increases, economic downturns and natural disaster recoveries, without diminishing the level of service provided to the citizens and visitors of our communities.

LONG-TERM FINANCIAL PLANNING

A principal responsibility and challenge facing the District is the maintenance and replacement of its infrastructure, as fire stations, apparatus and lifesaving equipment are essential to serving our communities. The District methodically maintains an inventory infrastructure to implement systematic annual repairs and plan timely capital expenditure funding for replacements in safeguarding all fire rescue equipment that allows the delivery of high quality service and safety for our first responders. The plan objective is to facilitate sound administrative facilities, lifesaving equipment, personnel and structure replacements in accordance with the National Fire Protection Association (NFPA) Standards by developing funding source enhancements that provide for complete compliance and long term organizational solvency. The only way to attain this position is to have the right mix of assessment (less than the current assessments) and advalorem tax in the District.

RELEVANT FINANCIAL POLICIES

The Commission has adopted a financial standard to maintain a General Fund minimum Unassigned Fund Balance of 60 days of operating expenditures (the equivalent of the GFOA recommended 17%) with an operationally permanency goal of 45%. Funds in excess of these required reserves may be appropriated by the District Commission for specific capital improvement projects or other one-time operating or capital necessities. Management's objective is to ensure the District's solvency beyond normal wear and tear replacement expenditures and disaster recoveries by pursuing this 45% goal of Unassigned Fund Balance. The FY 2019 — 2020 Unassigned Fund Balance to operating expenditures was 23.6% before Fund Balance assignments for apparatus, safety equipment and fire station replacements.

INTERNAL AND BUDGETARY CONTROL

Pinellas Suncoast Fire and Rescue District embraces a major engagement of effective internal controls designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economic and efficient operations; ensure reliability of financial records and reports; and, safeguard assets throughout the organization. Sound internal control and fraud prevention provides a reasonable assurance that assets are safeguarded against loss from unauthorized use, removal or malfeasance, and that financial records are reliable for preparing financial statements and maintaining accountability for assets. In addition, the independent certified public accountants perform annual reviews as part of their examination of the financial statements. Budgetary control is maintained at the line item level by using comparisons to budgeted amounts before encumbering existing funding. Any change in the total adopted budget of either fund must be presented to and approved by the Board of Fire Commissioners.

PROSPECTS FOR THE FUTURE

A positive long-term financial outlook for the District is dependent upon the outcome of the next referendum to unrestrictedly fund the district to meet customary operational objectives and fulfill the District's opportunities to build strong fund balances and continue with minimum debt obligations. Desired funding source enhancements will enable our continuous commitment to provide the best full-service professional high quality fire rescue and emergency medical care in our communities with pride in selfless service.

Factors continuing to challenge the District include increases in nondiscretionary costs, such as fuel, apparatus maintenance, risk management insurance, health care insurance, worker's compensation insurance, retirement funding, information technology and utilities in addition to escalating apparatus replacement capital expenditures.

ACKNOWLEDGMENTS

Preparation of the District's CAFR was made possible by the dedicated efforts of the Finance Director. All other District personnel, although not as extensively involved in year-end audit activities, contributed significantly to the success of the audit by ensuring the accuracy of accounting information provided for comprehensive reporting throughout the year. Without their diligence, the work of the Finance Department would have been considerably more difficult. Everyone's efforts are greatly appreciated.

Finally, appreciation is expressed to the District's auditors, Saltmarsh, Cleaveland & Gund who contributed suggestions and comments that were used in the preparation of the CAFR. Their testing, suggestions and attention to detail made the CAFR better than it would have been otherwise.

Respectfully Submitted,

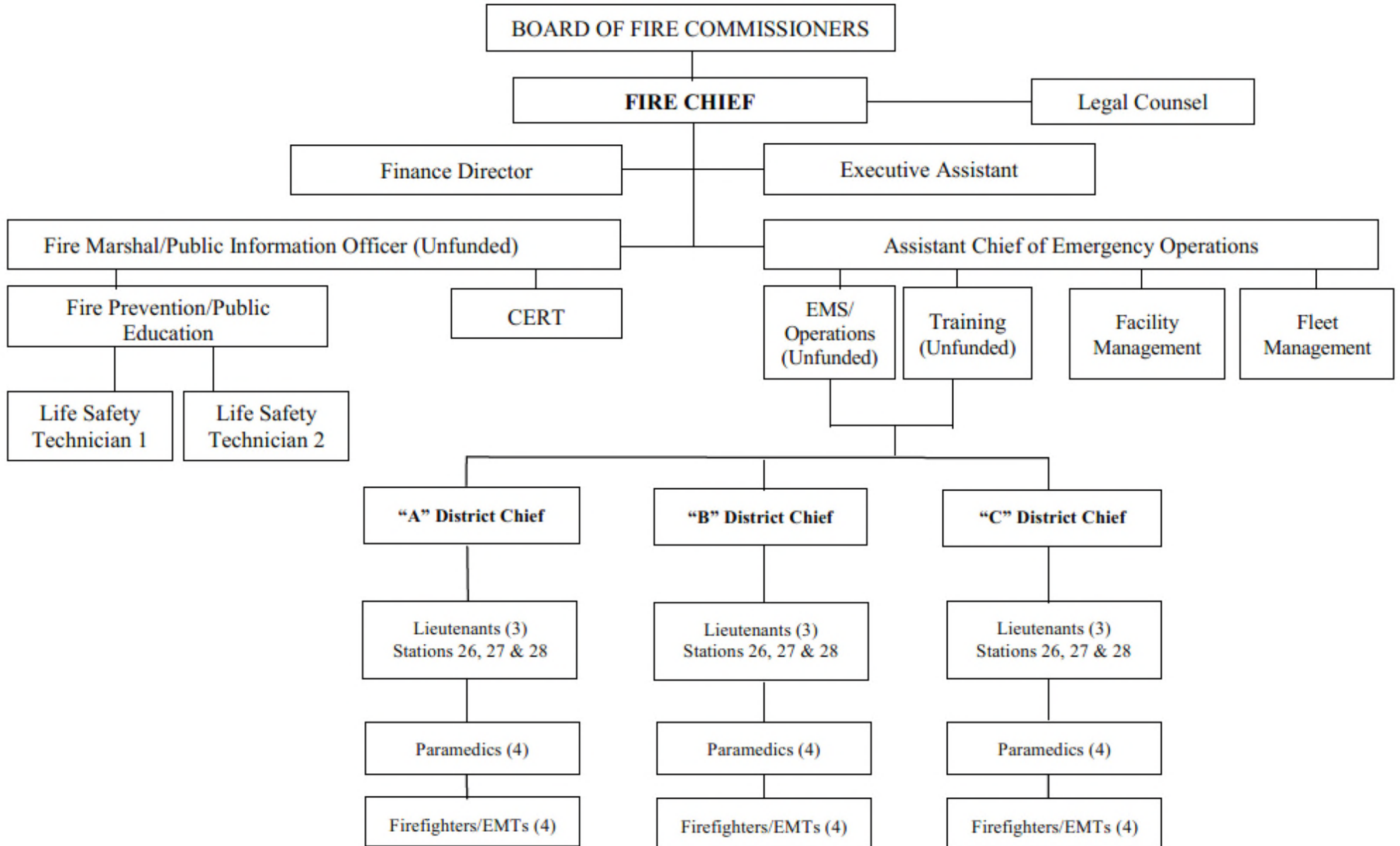


Michael Burton
Fire Chief



David Martin
Finance Director

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT ORGANIZATIONAL STRUCTURE



PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

LISTING OF DISTRICT OFFICIALS

ELECTED OFFICIALS

Commissioner - Seat 1 Indian Shores	Lawrence G. Schear
Commissioner - Seat 2 Indian Rocks Beach	David B. Ardman
Commissioner - Seat 3 Belleair Beach & Belleair Shore	David D. Gardella
Commissioner - Seat 4 Unincorporated Pinellas County	Joseph V. Bruni
Commissioner - Seat 5 Unincorporated Pinellas County	Louis R. Snelling

APPOINTED OFFICIALS

Fire Chief	Michael Burton
Attorney	Jeff Albinson

FINANCIAL SECTION

This section contains the following subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

General Fund Financial Statements

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INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR’S REPORT

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, and the budgetary comparisons for the general fund of Pinellas Suncoast Fire & Rescue District as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District’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 an opinion 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 of material misstatement.

An audit involves performing procedures to obtain 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.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the Pinellas Suncoast Fire & Rescue District as of September 30, 2020, and the respective changes in 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 on pages 4-14 and the schedules of net pension liability and District contributions for the FRS pension and HIS programs on pages 73-79 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 statement, 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.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pinellas Suncoast Fire & Rescue District's basic financial statements. The introductory section, individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



Tampa, Florida
June 1, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis September 30, 2020

As management of the Pinellas Suncoast Fire & Rescue District (hereinafter the district), we offer readers the District's financial statements and budgetary highlights for the fiscal year ending September 30, 2020.

FINANCIAL HIGHLIGHTS

- (A) In accordance with GASB 68, the liabilities of the District exceeded its assets at the close of the 2020 fiscal year by \$5,231.4k (*net position*), consisting of \$1,622.5k Capital Assets plus \$271.0k Capital Projects less \$7,124.9k Unrestricted Assets.
- (B) The District's net position reduced by \$1,756.1k. The operating share of this reduction was \$183.4k consisting of an \$83.7k net decrease in the Capital Projects Fund Balance and a \$267.1k net increase in the General Fund Balance. The portion of the District's net position reduction that did not require the use of current financial resources consisted of the following GASB required statements: \$61.5k net decrease in capital assets, \$1,938.6k decrease in net pension liability, \$28.4k decrease in post-employment health care obligations, \$23.6k decrease in compensated absences, \$84.9k increase in equipment lease, plus a \$27.6k settlement.
- (C) As of the fiscal year 2020 close, the District's governmental funds (general and capital projects funds) reported an ending fund balance of \$2,129.6k. This is an increase of \$183.5k in comparison with the prior year. All but \$1.3k of governmental funds are available for spending at the district's discretion.
- (D) Outstanding debt includes compensated absences, post-employment health care obligations and an assessment settlement at the end of fiscal year 2020 totaling \$1,120.5k.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The district's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Governmental-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the district's finances, using accounting methods similar to a private-sector business. These statements include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

The *statement of net assets* presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. Prior to GASB 68, increases or decreases in net assets could serve as a useful indicator of whether the financial position of the district is improving or deteriorating. However, the implementation of GASB 68 no longer serves this function, as there is no guarantee that the future cost projections, as reported in these statements, will or will not occur outside of normal annual operating expenditure budget.

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

The government-wide financial statements should distinguish functions of the Pinellas Suncoast Fire & Rescue District (District) that are principally supported by the district's residents and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). All of the District's activities are governmental. The District is the *primary government* and has no component units.

The government-wide financial statements can be found on pages 15 and 16 of this report.

Fund Financial Statements

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The fund financial statements provide more information about the District's general fund – not the District as a whole.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The District's funds consist of the general fund and the capital projects fund.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*. However, GASB 68 has changed all meaningful analysis through the introduction of actuarial data references for pension plans and post-employment health care.

The District maintains two governmental funds, a general fund and a capital projects fund. These funds are presented in the governmental fund balance sheets and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 17 through 21 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reflected in the government-wide financial statements because resources of those funds are *not* available to support the district's own programs. Accounting used for fiduciary funds is much like that used for the government-wide financial statements.

The District had no fiduciary funds in 2020.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 22 through 70 of this report.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Required Supplementary Information and Other information

Pension and post-employment benefit data and individual general fund financial statements and schedules can be found on pages 71 – 84 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Due to GASB 68, the District's liabilities exceeded assets by \$5,231.4k at the fiscal year ended on September 30, 2020.

The District's capital assets represent investments in land, buildings and improvements and equipment. Approximately 46.3% of the total assets are capital assets. The District uses these capital assets to provide services to its citizens and property owners. Consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the district has no debt outstanding and the capital assets themselves cannot be used to liquidate general operating liabilities.

Due to GASB 68, the *unrestricted* category of net assets, became a deficit balance of \$7,124.9k at year end.

	<u>Statement of Net Position</u>	
	<u>2020</u>	<u>2019</u>
Cash and investments	\$ 2,398,269	\$ 490,716
Other current assets	11,732	1,653,059
Capital assets, net	2,080,692	2,142,158
Deferred Outflows	<u>3,351,257</u>	<u>3,090,115</u>
Total assets and deferred outflows	7,841,950	7,376,048
Long-term liabilities	12,276,103	9,831,478
Other liabilities	507,983	419,318
Deferred Inflows	<u>289,305</u>	<u>600,607</u>
Total liabilities and deferred inflows	13,073,391	10,851,403
Net Position:		
Net investment in capital assets	1,622,473	1,599,068
Restricted for capital projects	270,979	354,630
Unrestricted (deficit)	<u>(7,124,893)</u>	<u>(5,429,053)</u>
Total Net Position	<u>(\$5,231,441)</u>	<u>(\$3,475,355)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis September 30, 2020

Governmental activities. As the District has no business-type activities, governmental activities were responsible for decreasing the District's net position. A reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of the governmental fund to the Statement of Activities can be found on page 20.

Pinellas Suncoast Fire & Rescue District's Change in Net Position

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2019</u>
Program Revenues:		
Charges for services	\$ 36,293	\$ 20,450
 Total Program Revenues	 36,293	 20,450
 General Revenues:		
Property assessments	4,919,717	3,609,655
Impact fees	15,179	62,270
Investment earnings	61,535	65,229
Intergovernmental revenue	1,836,315	1,739,968
Other	<u>26,943</u>	<u>23,800</u>
 Total General Revenues	 <u>6,859,689</u>	 <u>5,500,922</u>
 Total Program and General Revenues	 6,895,982	 5,521,372
 Expenses		
Public Safety - Fire and EMS Protection	<u>8,652,068</u>	<u>6,374,674</u>
 Total Expenses	 <u>8,652,068</u>	 <u>6,374,674</u>
 Change in net position	 (1,756,086)	 (853,302)
 Net position, beginning of year	 <u>(3,475,355)</u>	 <u>(2,622,053)</u>
 Net position end of year	 <u>(\$ 5,231,441)</u>	 <u>(\$ 3,475,355)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Financial Analysis of the District's Funds

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

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

The general fund is the District's chief operating fund. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$1,514.3k. As a measure of the general fund's liquidity, it is beneficial to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 22.9% of total general fund expenditures.

Total fund balance of the General Fund increased \$267.1k during the current fiscal year. Key factors in the fiscal year operational results, are as follows:

Revenue:

- Chief Burton's Bay County deployment for the Hurricane Michael support efforts, incurred approximately \$29k in expenditures. A claim was filed with FEMA for reimbursement, however it had not been approved by the end of FY 2019 - 2020.
- Public Safety Assessment income exceeded the adopted budget by \$98.0k due to an \$88k tax sale and a prior year excess expenditure reimbursement.
- Contracted EMS funding and the \$150,000 marine portion of the settlement is in line with the amended budget. However, the county CME education pass through program produced a \$92.5k favorable budget variance, due to contra overtime expense and indirect cost recovery factors.
- Inspection Fees and Special Event incomes are well under the adopted budget due to typical year end bad debt write-offs and COVID-19 policy decisions to cease external contact, thereby eliminating fire inspection related fees.
- Investment income experienced a 5.7% decrease from prior year earnings due to significant decreases in interest returns, primarily caused by the COVID-19 pandemic.
- Donations received, from grateful residences of the District, were used for improvements to station 27's officer quarters, training and day rooms and graphics on the new Fire Boat.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Operating Expense:

Expense category details are as follows:

Personnel

- “Personnel Services – Compensation” – a \$125.5k unfavorable variance was directly related to COVID-19 overtime expenditures. A budget amendment to cover this unfavorable budget variance was presented and adopted at the October 20, 2020 board meeting.
- “Personnel Services – Benefits” – a \$12.4k unfavorable variance was directly related to COVID-19 overtime expenditures. This unfavorable budget variance was included in the budget amendment adopted at the October 20, 2020 board meeting.

General Operating Expense

- “Operating Expense” – was in line with the adopted budget. Budget contingencies were consumed by the \$13.3k COVID-19 EOC expenditures.

Excess (Deficiency) of Revenues Over/Under Expenses:

- The \$101.1k favorable budget variance was directly related to the prior year assessment excess expenditure refund and the delinquent tax sale proceeds. Although the 2019 – 2020 fiscal year came with many challenges, we managed to continue our income and cost control programs that are imbedded in our daily operations and are instrumental to our on-going success.

Fund Balance:

- The FY 2019 - 2020 \$239.1k budget revenue surplus somewhat aided our depleted reserves. However, the required annual assigned reserve for this year and the much needed prior year reserve catch-up suffered the consequences of the COVID-19 expenditures.
- The Unassigned Fund Balance reserve ratio recommended by FGFOA and supported by GASB is 17% of normal and customary General Fund Operating Expenditures. The Unassigned Fund Balance represents the amount of budget available in the event of a catastrophic emergency. Our FY 2019 - 2020 ratio was 23.6%. However, we are still quite detached from our reserve ratio objective of the 45% required to maintain future equipment, apparatus and station replacements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis September 30, 2020

Our mission is to provide quality emergency services to the district's business community as well as all residents under our protection and all visitors who may encounter natural or man-made disasters; emergencies such as medical, fire, vehicle crashes, hazardous materials and water rescues. We strive to reduce injuries, loss of life, property and environmental damage through education, training, skills, technology, building codes, enforcement, and people. Our primary objective, for meeting our mission, is the protection of our First Responders, through ongoing training and maintaining compliance with all safety standards. Our secondary objective is to remain solvent and grow the Fund Balance reserves for expansion capabilities needed for future capital expenditure additions and replacements. Our success in attaining our primary and secondary objectives offers the necessary components to accomplish our mission providing quality emergency fire rescue services with devoted selfless pride. The district's continued independence demands a safeguard of the funds required to meet sustained stability and solvency. Voter approval of the 2019 referendum assessment increase provided time to identify the appropriate funding sources that would be acceptable to the community as a whole, for District longevity.

General Fund Budgetary Highlights

The annual budget is legally adopted for the Capital Projects Fund and the General Fund. Other than minor line item adjustments, there were two amendments to the budget during the fiscal year that had a major effect on the original adopted budget. The first amendment was \$150.0k for a replacement rescue boat and a marine addition of a Fire Boat funded by the County, in accordance with the settlement. The second amendment was necessary to cover the excessive COVID-19 pandemic labor and FICA tax expenditures. The end result of both budget amendments decreased the adopted budget surplus by \$138.0k.

As in past years, property assessment and EMS income represents the greater portion (99.9%) of the district's total operating revenue of \$6,756.0k. The 0.1% differential reflects investment interest earnings, non-repetitive income streams and expenditure pass-through reimbursements.

Our demanding cost control programs cannot support long-term customary consumer price index increases in operating expenditures or provide sufficient "Net Change in Unassigned Fund Balance" essential to obligate reserves for future capital expenditure additions and replacements. The increased assessment will help, but as past history dictates, the advantage will ultimately erode this additional fixed income while costs increase as time passes, resulting in the same cash crisis of our recent past.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Fiscal Year 2020 Budget – General Fund

	<u>2020</u>			<u>2019</u>
	<u>Budget (Final)</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:				
Property Assessments	\$ 4,821,674	\$ 4,919,717	\$ 98,043	\$ 3,609,655
Other	<u>1,820,078</u>	<u>1,961,086</u>	<u>141,008</u>	<u>1,849,447</u>
Total Revenues	\$ 6,641,752	\$ 6,880,803	\$ 239,051	\$ 5,459,102
Expenditures:				
General Government:				
Public Safety – Fire and EMS	<u>6,475,733</u>	<u>6,613,695</u>	<u>(137,962)</u>	<u>5,583,818</u>
Net Change in fund balance	<u>\$ 166,019</u>	<u>\$ 267,108</u>	<u>\$ 101,089</u>	<u>\$ (124,779)</u>

Fiscal Year 2019 Budget – General Fund

	<u>2019</u>			<u>2018</u>
	<u>Budget (Final)</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
Revenues:				
Property Assessments	\$ 3,609,655	\$ 3,609,655	\$ -	\$ 3,608,379
Other	<u>1,849,447</u>	<u>2,471,253</u>	<u>621,806</u>	<u>1,951,138</u>
Total Revenues	\$ 5,459,102	\$ 6,080,908	\$ 621,806	\$ 5,559,517
Expenditures:				
General Government:				
Public Safety – Fire and EMS	<u>5,583,835</u>	<u>6,205,087</u>	<u>(621,802)</u>	<u>5,454,818</u>
Net Change in fund balance	<u>(\$124,783)</u>	<u>(\$124,779)</u>	<u>\$ 4</u>	<u>\$ 104,699</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Capital Assets

At the end of 2020, the district's investment in capital assets for its governmental activities was \$2,080.7k (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements and equipment.

Change in Capital Assets – Governmental Activities

	2020			2019
	Beginning Balance	Net Additions (Deletions)	Ending Balance	Ending Balance
Land	\$ 61,000	\$ -	\$ 61,000	\$ 61,000
Buildings and improvements	349,350	-	349,350	349,350
Equipment	<u>3,428,365</u>	<u>53,364</u>	<u>3,481,729</u>	<u>3,428,365</u>
Total Capital Assets	3,838,715	53,364	3,892,079	3,838,715
Less accumulated depreciation	<u>(1,696,557)</u>	<u>(114,830)</u>	<u>(1,811,387)</u>	<u>(1,696,557)</u>
Capital assets, net	<u>\$ 2,142,158</u>	<u>(\$ 61,466)</u>	<u>\$ 2,080,692</u>	<u>\$ 2,142,158</u>
	2019			2018
	Beginning Balance	Net Additions (Deletions)	Ending Balance	Ending Balance
Land	\$ 61,000	\$ -	\$ 61,000	\$ 61,000
Buildings and improvements	349,350	-	349,350	349,350
Equipment	<u>2,435,052</u>	<u>993,313</u>	<u>3,428,365</u>	<u>2,435,052</u>
Total Capital Assets	2,845,402	993,313	3,838,715	2,845,402
Less accumulated depreciation	<u>(1,607,076)</u>	<u>(89,481)</u>	<u>(1,696,557)</u>	<u>(1,607,076)</u>
Capital assets, net	<u>\$ 1,238,326</u>	<u>\$ 903,832</u>	<u>\$ 2,142,158</u>	<u>\$ 1,238,326</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2020

Total Capital

Additional information on the district's capital assets can be found in note 6 on page 40 of this report.

LONG-TERM DEBT

At the end of 2020, the district's outstanding long-term debt consisted of post-employment health care obligation, an assessment correction, lease purchase obligations, compensated absences and net pension plan liabilities totaling \$12,503.7k.

More detailed information about the district's long-term debt can be found in note 7 on page 41 of this report.

ECONOMIC FACTORS

The district's board of commissioners approved a \$6,613.7k expenditure budget for the 2020 fiscal year. This adopted budget represents an 18.4% increase from the previous year's actual expenditures providing appropriations to cover the following major cost factors:

- Personnel overtime, WC, FRS and FICA increases.
- District Chief and Fire Inspector retirement PTO and accrued sick time pay-outs
- Aging apparatus repairs.
- Aging facility repairs.
- Two new marine crafts for water rescue and fire fighting
- Four replacement hand held radios
- Replacement of 5 sets of firefighter bunker gear.
- General inflationary cost increases (excluding salary increases)

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the district's finances for the district's residents and creditors. Questions concerning this report or requests for additional financial information should be directed to:

Fire Chief Michael Burton
304 First Street
Indian Rocks Beach, FL 33785-2508

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BASIC FINANCIAL STATEMENTS

This section contains the following subsections:

Government-Wide Financial Statements

Statement of Net Position
Statement of Activities

Fund Financial Statements

Governmental Fund Financial Statements

Balance Sheet - Governmental Fund
Reconciliation of the Balance Sheet to the Statement of
Net Position - Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of the Governmental Funds to the Statement of Activities -
Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual:
General Fund

Notes to Financial Statements

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

ASSETS

Cash	\$ 405,233
Investments	1,993,036
Receivables	10,476
Prepaid items	1,256
Capital Assets:	
Land	61,000
Buildings and improvements	349,350
Equipment	3,481,729
Accumulated depreciation	<u>(1,811,387)</u>
Total capital assets, net	<u>2,080,692</u>
 TOTAL ASSETS	 4,490,693

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources related to FRS pension plan and OPEB	3,351,257
--	-----------

LIABILITIES

Accounts payable	116,250
Accrued salaries and benefits	164,118
Noncurrent liabilities	
Due within one year	229,796
Due in more than one year	716,553
Net OPEB liability, long-term	632,355
Net pension liability, long-term	<u>10,925,014</u>
 TOTAL LIABILITIES	 12,784,086

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources related to FRS pension plan and OPEB	289,305
---	---------

NET POSITION

Net investment in capital assets	1,622,473
Restricted for capital projects	270,979
Unrestricted (deficit)	<u>(7,124,893)</u>
 TOTAL NET POSITION	 \$ <u><u>(5,231,441)</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

EXPENSES:

Public safety - fire and EMS protection:

Personnel services	\$ 7,590,907
Materials and supplies	822,570
Interest	13,959
Depreciation	<u>224,632</u>

Total public safety - fire and EMS protection 8,652,068

TOTAL PROGRAM EXPENSES 8,652,068

PROGRAM REVENUES:

Charges for services 36,293

Total program revenues 36,293

Net program expenses 8,615,775

GENERAL REVENUES:

Assessments	4,919,717
Impact fees	15,179
EMS contract	1,830,427
Intergovernmental Revenue:	
State	5,888
Investment earnings	61,535
Miscellaneous	<u>26,943</u>

TOTAL GENERAL REVENUES 6,859,689

CHANGE IN NET POSITION (1,756,086)

NET POSITION - BEGINNING (3,475,355)

NET POSITION - ENDING \$ (5,231,441)

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

<u>ASSETS</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
Cash	\$ 134,254	\$ 270,979	\$ 405,233
Investments	1,993,036	-	1,993,036
Accrued interest	-	-	-
Receivables (net of allowance for uncollectibles):			
Accounts	1,692	-	1,692
Intergovernmental			
State	3,810	-	3,810
County	4,974	-	4,974
Prepaid items	1,256	-	1,256
TOTAL ASSETS	\$ 2,139,022	\$ 270,979	\$ 2,410,001
 <u>LIABILITIES AND FUND BALANCE</u>			
Liabilities:			
Accounts payable	\$ 116,250	\$ -	\$ 116,250
Accrued salaries and benefits payable	164,118	-	164,118
	280,368	-	280,368
Fund balance:			
Nonspendable	1,256	-	1,256
Restricted	-	270,979	270,979
Assigned	343,123	-	343,123
Unassigned	1,514,275	-	1,514,275
	1,858,654	270,979	2,129,633
Total liabilities and fund balance	\$ 2,139,022	\$ 270,979	\$ 2,410,001

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2020

Fund balance - total governmental fund		\$	2,129,633
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund.			
Governmental capital assets	\$	3,892,079	
Less accumulated depreciation		<u>(1,811,387)</u>	
			2,080,692
Certain deferred outflows of resources are not available to pay current period expenditures and therefore are not reported in the funds.			
Deferred outflows of resources related to pension plan.			3,351,257
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental fund.			
Post-employment health care obligations		(632,355)	
Settlement		(27,615)	
Compensated absences		<u>(460,515)</u>	
			(1,120,485)
Certain liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds.			
Net pension liability		(10,925,014)	
Equipment lease		(458,219)	
Deferred inflows of resources related to the pension plan.		<u>(289,305)</u>	
			<u>(11,672,538)</u>
Net position of governmental activities		\$	<u><u>(5,231,441)</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2020

	<u>General</u>	<u>Capital</u>	<u>Total</u>
	<u>Fund</u>	<u>Projects</u>	<u>Governmental</u>
			<u>Funds</u>
REVENUES:			
Assessments	\$ 4,919,717	\$ -	\$ 4,919,717
Intergovernmental	5,888	-	5,888
EMS contract	1,830,427	-	1,830,427
FEMA		-	-
Impact fees	-	15,179	15,179
Charge for services	36,293	-	36,293
Investment income	61,535	-	61,535
Miscellaneous	14,880	-	14,880
	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	6,868,740	15,179	6,883,919
EXPENDITURES:			
Current:			
Public safety - Fire and EMS:			
Personnel services	5,600,344	-	5,600,344
Operating services	850,185	-	850,185
Capital outlay	163,166	-	163,166
Debt service:			
Principal	-	84,871	84,871
Interest	-	13,959	13,959
	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	6,613,695	98,830	6,712,525
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	255,045	(83,651)	171,394
OTHER FINANCING SOURCES:			
Proceeds from debt		-	-
Proceeds from insurance	12,063	-	12,063
	<hr/>	<hr/>	<hr/>
Total other financing sources	12,063	-	12,063
NET CHANGE IN FUND BALANCE	267,108	(83,651)	183,457
FUND BALANCE, OCTOBER 1	1,591,546	354,630	1,946,176
	<hr/>	<hr/>	<hr/>
FUND BALANCE, SEPTEMBER 30	\$ <u>1,858,654</u>	\$ <u>270,979</u>	\$ <u>2,129,633</u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

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

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

Net change in fund balance - total governmental fund \$ 183,457

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets
is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 163,166	
Less current year depreciation	<u>(224,632)</u>	(61,466)

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

Post-employment health care obligations	(28,397)	
Change in compensated absences	(23,583)	
Change in equipment lease	84,871	
Change in net pension liability	(1,938,583)	
Settlement	27,615	
	<u></u>	<u>(1,878,077)</u>

Change in net position of governmental activities \$ (1,756,086)

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES:				
Assessments	\$ 4,821,674	\$ 4,821,674	\$ 4,919,717	\$ 98,043
EMS contract	1,587,944	1,737,944	1,830,427	92,483
FEMA	-	-	-	-
Intergovernmental	16,080	16,080	5,888	(10,192)
Charge for services	15,780	15,780	36,293	20,513
Investment income	48,060	48,060	61,535	13,475
Miscellaneous	<u>2,214</u>	<u>2,214</u>	<u>14,880</u>	<u>12,666</u>
TOTAL REVENUES	6,491,752	6,641,752	6,868,740	226,988
EXPENDITURES:				
Current:				
Public safety - Fire and EMS:				
Personnel services	5,449,039	5,462,383	5,600,344	(137,961)
Operating	838,194	850,184	850,185	(1)
Capital outlay	<u>38,500</u>	<u>163,166</u>	<u>163,166</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,325,733</u>	<u>6,475,733</u>	<u>6,613,695</u>	<u>(137,962)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	166,019	166,019	255,045	89,026
OTHER FINANCING SOURCES:				
Proceeds from insurance	<u>-</u>	<u>-</u>	<u>12,063</u>	<u>12,063</u>
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>12,063</u>	<u>12,063</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	166,019	166,019	267,108	101,089
FUND BALANCE, OCTOBER 1	<u>1,591,546</u>	<u>1,591,546</u>	<u>1,591,546</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 1,757,565</u>	<u>\$ 1,757,565</u>	<u>\$ 1,858,654</u>	<u>\$ 101,089</u>

See Notes to Financial Statements.

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NOTES TO
FINANCIAL STATEMENTS

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies

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

Reporting Entity - The District is a political subdivision of the State of Florida, located in Pinellas County in the southwest portion of the State. The District was incorporated in 1953 under the provisions of the Laws of Florida, Chapter 29438 under a Board of Commissioners (Board) structure. On June 5, 2000, the Charter was amended to, among other items, provide for the renaming of the District and restated the boundaries of the District. The District is approximately nineteen square miles in area. The District was organized to prevent and control damage, destruction or injury to people or property by fire, disaster, or other emergencies and to provide Emergency Medical Services (EMS) to citizens in need in the District in accordance with an annually renewable agreement for services between the District and the Pinellas County, Florida Board of County Commissioners.

In evaluating how to define the Pinellas Suncoast Fire & Rescue District, (the primary government) for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14.

This governmental accounting standard requires that this financial statement present the District (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government.

The District does not have any component units.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Government-wide and fund financial statements - As discussed more fully in Note 2 the District has adopted the provisions of GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." The government-wide financial statements required under this statement (the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are supported by taxes and intergovernmental revenues, continue to be reported separately from fiduciary funds.

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 properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental (general and capital projects) funds. Fiduciary funds and component units that are fiduciary in nature (i.e. the pension trust funds) are excluded from the government-wide financial statements. The District does not currently have any fiduciary funds. The major individual governmental fund is reported as a separate column in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

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 fiduciary 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. Property assessments 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.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The only revenues that are susceptible to accrual are interest and intergovernmental revenue. EMS revenues collected and held by Pinellas County, Florida at year end on behalf of the District also are recognized as revenue of the current fiscal period. Plan and inspection fees are not susceptible to accrual because generally they are not measurable until received in cash. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *capital projects fund* accounts for revenues generated under the Public Safety Construction Fee Resolution which is designated for acquisition and construction of capital improvements. This Resolution was adopted and the fund was established during the fiscal year ended September 30, 2005.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all property assessments.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Assets, Liabilities, and Net Position or Equity:

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

The District's investment policy is structured to place the highest priority on the safety of principal and liquidity of funds and adopts the Prudent Person Rule, which states that "Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment".

The District's policy to maintain funds within the limitations established by Florida Statutes, Chapter 218.415(17) which states: The local government may invest or reinvest any surplus public funds in their control or possession in:

- a) The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01.
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.
- d) Direct obligations of the U.S. Treasury.

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due.

Investments in fixed income securities are stated at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Short-term investments are reported at amortized cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

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

All accounts and intergovernmental receivables are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles.

Prepaid Items - Certain payments to vendors and for insurance premiums reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of governmental fund-type prepaid items are recorded as expenditures using the purchase method. Under this method, prepaid items are recorded as expenditures when purchased. Prepaid items reported in the general fund are therefore equally offset by a fund balance reserve, which indicates the assets are unavailable for appropriation even though they are a component of reported assets.

Property Assessment - Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector.

The special assessment levy (assessment) of the District is established by the Board of Commissioners on or after February 1 of each year and the Pinellas County Property Appraiser incorporates the District's assessment into the total tax levy, which includes the Pinellas County District School Board tax requirements. The District may change the rate of assessment from that assessed in the prior year only if approved by referendum. The 2020 assessment by the District was \$4,919,717

An assessment roll showing the assessment rate is prepared and completed by the Board of Commissioners on or before September 10 of each year.

The Board of Commissioners, upon the adoption of the resolution fixing the rate of assessment, shall prepare an assessment and collection roll setting forth a description of each lot or parcel of land subject to taxation in the district together with the amount of assessment against the lot or parcel of land and attach thereto a certified copy of the resolution fixing the rate of assessment, and it shall, before September 15 each year, deliver the roll to the County Tax Collector of Pinellas County, for collection of the assessments. All assessments shall be made against the land subject to assessment, and the roll shall set forth the names of the owners of such land.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

All assessments are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid assessments become delinquent on April 1 following the year in which they are assessed.

Delinquent assessments bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent assessments. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

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

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

Capital assets - Capital assets, which include property, plant and equipment are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, if any, during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

<u>Assets</u>	<u>Years</u>
Buildings	45 - 55
Buildings and improvements	20 - 30
Equipment	5 - 15

Compensated absences - It is the District's policy to permit employees to accumulate earned but unused vacation, holiday and sick pay benefits.

Accrued Leave - Permanent, full-time employees earn vacation and sick leave beginning with an employee's first pay period and accruing according to the number of regularly scheduled hours an employee works and the length of service.

Holiday Leave:

In consideration for time worked on and around holidays while other departmental employees are off, the following compensation will be granted one hundred twenty hours paid time off per year for all forty-eight hour per week employees.

Vacation Leave:

- A. Permanent full-time Collective Bargaining employees shall accrue vacation time from their first full calendar month of employment with the District so as to enjoy the following vacation leave upon completion of each level of service:

<u>Service Completed</u>	<u>Forty-Eight Hour Personnel Vacation</u>
1 thru 2 Years of Completed Service	6-24 Hr Shifts
3 thru 4 Years of Completed Service	9-24 Hr Shifts
5 Years of Completed Service	12-24 Hr Shifts
6 thru 7 Years of Completed Service	13-24 Hr Shifts
8 thru 10 Years of Completed Service	14-24 Hr Shifts
11 thru 13 Years of Completed Service	15-24 Hr Shifts
14 or More of Completed Service	16-24 Hr Shifts

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

B. Administrative Personnel

Service Completed	Work Days	
	Sworn Personnel	Civilian Personnel
1 thru 2 years of Completed Service	14.9	10
3 years of Completed service	22.4	15
4 years of Completed service	22.4	20
5 years of Completed service	29.9	21
6 years of Completed service	32.4	22
7 years of Completed service	32.4	23
8 years of Completed service	34.9	24
9 years of Completed service	34.9	25
10 years of Completed service	34.9	26
11 years of Completed service	37.4	27
12 years of Completed service	37.4	29
13 years of Completed service	37.4	29
14 or More years of Completed service	39.8	30

All employees may store up to two (2) years of their paid time off accrual. Hours earned in excess of this maximum must be taken as earned or forfeited.

Sick Leave:

- A. Permanent full-time Collective Bargaining employees shall be entitled to earn and accrue sick leave while on active pay status at the rate of twelve (12) hours for every calendar month to a maximum of one thousand four hundred forty (1,440).
- B. Administrative Personnel shall be entitled to earn and accrue sick leave while on active pay status at the rate of twelve (12) hours for every calendar month to a maximum of one thousand two hundred (1,200).

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

Accrued Holiday and Vacation Leave Pay-Outs:

- A. Upon separation by retirement, resignation, or reduction in force, permanent full-time Collective Bargaining employees shall be paid for earned paid time off (Holiday + Vacation) up to a maximum of 504 hours.
- B. Upon separation, Sworn and Civilian Administrative personnel shall be paid for earned paid time off at the rate of 50% of accrued PTO up to a maximum of 240 hours.

Accrued Sick Leave Pay-Outs:

- A. Upon separation by retirement or any job-related disability retirement, as defined by the Florida Retirement System, permanent full-time Collective Bargaining employees shall be paid for accrued sick leave equal to 20 hours per year of employment to a maximum of 300 hours.
- B. Upon separation by retirement, as defined by the Florida Retirement System, Sworn Administrative personnel shall be paid for accrued sick leave equal to 20 hours per year of employment to a maximum of 420 hours.
- C. Upon separation by retirement, as defined by the Florida Retirement System, Civilian Administrative personnel shall be paid for accrued sick leave equal to 10 hours per year of employment to a maximum of 200 hours.

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

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

Long-Term Obligations - Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement.

Fund equity - In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Net position - Net position of the government-wide fund represent the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets net of accumulated depreciation and the outstanding balance on any borrowing spent for acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other government.

Nature and Purpose of Classifications of Fund Equity - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by

- a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or
- b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Amounts that can only be used for specific purposes pursuant to constraints imposed by the District Commission through a resolution are classified as committed fund balances. Amounts that are constrained by the District's intent to be used for specific purposes but are not restricted nor committed are classified as assigned fund balances. Assignments are made by the District management based on Commission direction. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the governmental funds.

Minimum Fund Balance Policy - It is the desire of the District to maintain adequate General Fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The Commission has adopted a financial standard to maintain a General Fund minimum fund balance of 60 days of budgeted expenditures.

Fund balance created as a result of actual revenue and expenditure deviations from the budget will be used to achieve and maintain the District's minimum fund balance goals and to meet the next year's budget expenditure requirements.

Deferred Outflows of Resources/Deferred Inflows of Resources - Government Accounting Standards Board (GASB) Concept Statement No. 4, "Elements of Financial Statements", introduced two new elements of the financial statements in addition to Assets, Liabilities and Net Assets (changed to Net Position) which are:

Deferred Outflows of Resources is a consumption of net assets by the government that is applicable to a future reporting period.

Deferred Inflows of Resources is an acquisition of net assets by the government that is applicable to a future reporting period.

Government Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" provide financial reporting guidance for Deferred Outflows of Resources and Deferred Inflows of Resources and also identifies Net Position (replacing Net Assets) as the residual of all the elements (Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflow of Resources) presented in a statement of financial position.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Government Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities" establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflow of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

In implementing GASB Statement No. 65 the District established the following items that qualify for reporting in this category:

- A. Pension contributions after measurement date - These contributions are deferred and recognized in the following fiscal year.
- B. Difference in projected and actual earnings on pension assets - This difference is deferred and amortized over a closed five year period.

Cost-Sharing Pension Plan - For purposes of measuring the net pension liability, pension related deferred outflows and deferred inflows of resources, and pension expense, the District's specific information from the Florida Retirement System (FRS) and additions to/deductions from the District's Fiduciary Net Position have been determined on the same basis as they are reported by FRS. Information regarding the District's total pension liability is obtained from FRS through a report prepared for the District by the FRS consulting actuary, Milliman, in compliance with Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions.

Net Position:

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

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any 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 - This component consists of net position that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or law or regulations of other governments) or by law through constitutional provisions or enabling legislation.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Unrestricted - This component consists of net position that does not meet the definition of “net investment in capital assets” and “restricted”.

When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed.

Fair Value Measurement and Application - Government Accounting Standards Board (GASB) Statement No. 72, “Fair Value Measurement and Application” requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Governments should organize these disclosures by type of asset or liability reported in certain entities that calculate net asset value per share (or its equivalent). This statement has been implemented in these financial statements.

Comparative data/reclassifications - Comparative total data for the prior year have been presented only for individual general and pension funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

Subsequent Events - Management has evaluated subsequent events through June 1, 2021, which is the date the financial statements were officially available to be issued.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

2. Stewardship, Compliance and Accountability

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. On or before June 1 of each year, the department heads of each of the District's divisions submit requests for appropriation to the Fire Chief so that a budget may be prepared. The budget is prepared by fund, function and activity (divisions), and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Board of Commissioners (Board) for review by July 1. The Board holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Fire Chief and the Division head or the revenue estimates must be changed by an affirmative vote of a majority of the Board. The Finance Director has been authorized by the Board to make line item transfers within the budget if total appropriations of the fund are not changed.

Expenditures may not legally exceed budgeted appropriations at the division level within the general fund. During the year, there were no supplementary appropriations.

Encumbrances - Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Finance-Related Legal and Contractual Provisions - The District is not in violation of any finance-related legal and contractual provisions.

Establishment/Elimination of Funds - During the fiscal year ended September 30, 2020, the District did not establish or eliminate any funds.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

3. Deposits

At year-end the carrying amount of the District's deposits was \$405,233 and the bank balance maintains a balance of \$431,520. The District's operating and payroll account balances are swept into the bank's separate brokerage investment fund accounts each evening. Deposits in these accounts have been reported as investments in these financial statements. The bank balance was 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. 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

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.

4. Investments

Interest Rate Risk - The District manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The District limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Through its investment policies, the pension trust fund manages its exposure to fair value losses arising from increasing interest rates. The fund limits the effective duration of its investment portfolio through the adoption of nationally accepted risk measure benchmarks.

Credit Risk - Consistent with state law the District's investment guidelines limit its fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'Baa' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'Baa' shall be liquidated immediately.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

4. Investments (Continued)

Florida Surplus Asset Fund Trust (the “Trust”) was established in 2007 to be a Stable Net Asset Value investment pool to meet the investment needs of local governments in Florida and began operations in 2008. The Trust is a common law trust organized in 2007 under the laws of the State of Florida. Section 218.415, Florida Statutes, authorizes units of local government to invest and reinvest public funds in excess of the amounts needed to meet current expenses in certain enumerated investments, in any other investments authorized by law or by a municipal or county ordinance or by a school district or special district by law or by resolution, and in addition authorizes units of local government to invest and reinvest such surplus public funds in any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01 of the Florida Statutes.

Section 163.01, Florida Statutes, authorizes a political subdivision, agency, or officer of the State of Florida, including but not limited to state government, county, city, school district, single and multipurpose special district, single and multi-purpose public authority, metropolitan or consolidated government, a separate legal entity or administrative entity created under subsection (7) of Section 163.01, Fla. Stat., or an independently elected county officer (each of the foregoing a “Local Government Entity” or “Entity:), to exercise jointly with any other Entity any power, privilege, or authority which such Entities share in common and which each might exercise separately.

The Fund has received and maintained an AAAM rating since December 2007 from Standard & Poor’s (“S&P”). Standard & Poor’s fund ratings criteria were updated on November 1, 2011 and are based on analysis of credit quality market price exposure, and management. According to S&P’s rating criteria, the AAAM rating signifies excellent safety of invested principal and a superior capacity to maintain a \$1.00 per share net asset value. However, it should be understood that the rating is not either as “market” rating nor a recommendation to buy, hold or sell the securities.

Although the Fund will try to invest wisely, all investments involve risk. A decline in short-term interest rates will reduce the yield of the Fund and the return on an investment. The Fund invests only in high-quality obligations, but there is still the risk that an issuer may be unable to make principal and interest payments when due. If an issuer fails to pay interest or to repay principal, the investment will be adversely affected and the net asset value (or “NAV”) per share of the Fund could decline. NAV may also be adversely affected by a substantial increase in short-term interest rates if it becomes necessary for the Fund to sell a fixed-rate instrument prior to maturity. The Fund will have industry concentration risk to the extent their assets are concentrated in an industry (such as the banking industry). In addition, the Fund’s performance is subject to manager risk that a security selection could cause the Fund to underperform relevant benchmarks or other funds with a similar investment objective.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

4. Investments (Continued)

An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation (“FDIC”) or any other government or private agency. Although the Fund seeks to maintain a stable value of \$1.00 per share, it is possible to lose money by investing in the Fund.

FL SAFE Investment Policy - The general investment approach and objectives of the Fund’s investment activities shall be: (1) safety of capital; (2) liquidity of funds; (3) transparency; and (4) investment income, in that order.

The Fund adheres to an Investment Policy adopted by the Board of Trustees, as amended on January 18, 2013, and follows the investment criteria for a AAA S&P rated Net Stable Value Fund. As more fully described herein:

- * The Fund will invest only in Permitted Investments including investments in approved financial institutions and securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, and highly rated short-term corporate obligations. Asset allocation will be in full conformance with S&P guidelines.
- * The Fund’s investments will conform to its Permitted Investments and is structured to meet S&P’s investment guidelines to achieve and maintain an AAA rating, the highest attainable rating for a Local Government Investment Pool.
- * The Fund will not invest in asset-backed commercial paper securities that are classified as Structured Investment Vehicles, Collateralized Debt Obligations, Structure Arbitrage Vehicles, or Extendible Commercial Paper.
- * The weighted average maturity of the Fund’s portfolio shall not exceed 60 days per S&P guidelines.
- * The Fund seeks to maintain, but does not guarantee, a NAV at \$1.00 per share. To date, the value of the Fund has maintained a stable net asset value within the parameters to maintain its S&P AAA rating.

<u>Investment Type</u>	<u>Overall Credit Rating</u>	<u>Fair Value</u>	<u>Average Effective Duration (Years)</u>
FLS Term Series 256933	Not Rated	\$ <u>1,993,036</u>	Open-ended
Total investments		\$ <u><u>1,993,036</u></u>	

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

4. Investments (Continued)

Custodial Credit Risk - Custodial credit risk is defined as the risk that the District may not recover cash and investments held by another party in the event of a financial failure. The District requires all securities to be held by a third party custodian in the name of the District. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a “delivery vs. payment” basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investments in mutual funds and investment fund are considered *unclassified* pursuant to the custodial risk categories of GASB Statement No. 3, because they are not evidenced by securities that exist in physical or book-entry form.

5 Receivables

Receivables at September 30, 2020, consist of the following:

	<u>General Fund</u>
Receivables:	
Accounts	\$ 1,692
Intergovernmental	<u>8,784</u>
Gross receivables	10,476
Less: Allowance for uncollectibles	<u>-</u>
Net total receivables	<u>\$ 10,476</u>

The receivables in the General Fund are due from the State of Florida, Pinellas County and residents of the District.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

6. Capital Assets

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

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 61,000	\$ -	\$ -	\$ 61,000
Total capital assets, not being depreciated	61,000	-	-	61,000
Capital assets, being depreciated:				
Buildings and improvements	349,350	-	-	349,350
Equipment	<u>3,428,365</u>	<u>163,166</u>	<u>109,802</u>	<u>3,481,729</u>
Total capital assets, being depreciated	3,777,715	163,166	109,802	3,831,079
Less accumulated depreciation for:				
Buildings and improvements	286,157	5,823	-	291,980
Equipment	<u>1,410,400</u>	<u>218,809</u>	<u>109,802</u>	<u>1,519,407</u>
Total accumulated depreciation	<u>1,696,557</u>	<u>224,632</u>	<u>109,802</u>	<u>1,811,387</u>
Total capital assets, net of depreciation	<u>2,081,158</u>	<u>(61,466)</u>	<u>-</u>	<u>2,019,692</u>
Governmental activities				
capital assets, net of depreciation	\$ <u>2,142,158</u>	\$ <u>(61,466)</u>	\$ <u>-</u>	\$ <u>2,080,692</u>

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

Governmental activities:	
Public safety - Fire and EMS Protection	\$ <u>224,632</u>
Total depreciation expenses - governmental activities	\$ <u><u>224,632</u></u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

7. Long-Term Debt

Long-term debt is summarized as follows:

Description	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020	Due Within One Year
Post-employment health care obligation (Note 16)	\$ 597,134	\$ 35,221	\$ -	\$ 632,355	\$ -
Settlement	55,230	-	27,615	27,615	27,615
Lease purchase	543,090	-	84,871	458,219	87,052
Compensated absences	436,932	23,583	-	460,515	115,129
Net pension liability - pension	7,357,609	2,367,527	-	9,725,136	-
Net pension liability - HIS	1,063,202	136,676	-	1,199,878	-
	<u>\$ 10,053,197</u>	<u>\$ 2,563,007</u>	<u>\$ 112,486</u>	<u>\$ 12,503,718</u>	<u>\$ 229,796</u>

Lease Purchase

On August 1, 2017, the District entered into a lease purchase with PNC Equipment Finance, LLC. The Master Lease Purchase Agreement was to purchase a 2018 Pierce Velocity PUC 107 Ascendant Ladder Truck for \$1,121,806.

After the District paid a down payment of \$500,000, the amount financed was \$621,806.

Terms:	November 25, 2018 through November 25, 2024
Amount:	\$621,806
Annual debt service	\$98,930
Amount outstanding at September 30, 2020	<u>\$ 458,219</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

7. Long-Term Debt (Continued)

Lease Purchase (Continued)

Debt service requirements to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Debt Service</u>
2021	\$ 87,052	\$ 11,778	\$ 98,830
2022	89,290	9,540	98,830
2023	91,585	7,245	98,830
2024	93,939	4,891	98,830
2025	96,353	2,477	98,830
	<u>\$ 458,219</u>	<u>\$ 35,931</u>	<u>\$ 494,150</u>

8. Accrued Leave

General long-term debt as of September 30, 2020 includes accrued leave costs which will not normally be liquidated with expendable available financial resources early in the 2020 accounting period. Specific due dates for the future payment of these costs cannot be forecast as of the date of these financial statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases all of its insurance coverages from commercial insurance carriers.

The District also carries commercial insurance for all other risks of loss including health and employee accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The District has not had any significant coverage reductions under these policies from the prior year.

10. Details of Constraints on Fund Balances of Governmental Funds

The District has recognized that adequate unassigned fund balance is needed to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures).

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Fund Balances:			
Nonspendable	\$ 1,256	\$ -	\$ 1,256
Restricted for:			
Equipment and improvements	-	270,979	270,979
Assigned for rolling stock	343,123	-	343,123
Unassigned	<u>1,514,275</u>	<u>-</u>	<u>1,514,275</u>
 Total fund balances	 <u>\$ 1,858,654</u>	 <u>\$ 270,979</u>	 <u>\$ 2,129,633</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employee Retirement Systems

Florida Retirement System

Plan Description:

All Firefighters and general employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system (PERS). The District does not provide postemployment benefits for firefighters or general employees other than pension benefits.

The District's current elected officials (Board of Commissioners) are required to participate in this system.

The District contributes to the FRS which is administered by the Florida Department of Management Services, Division of Retirement. FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 121 of the Florida Statutes, which may be amended by the Florida Legislature, assigns the authority to establish and amend benefit provisions to the Department of Management Services through the Division of Retirement. The FRS issues a publicly available financial report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to:

State of Florida
Division of Retirement
3639-C North Monroe Street
Tallahassee, Florida 32399-1560

For the Pension Plan, the results contained in the attached note were developed as of a June 30, 2020 Measurement Date, based on an Actuarial Valuation Date of June 30, 2020. For the HIS Plan the results contained in the attached exhibits were developed as of June 30, 2020 Measurement Date, based on an Actuarial Valuation Date of June 30, 2019. For the Pension Plan, valuations are performed annually while HIS Plan valuations occur on a biennial basis.

The five classes of members are as follows:

1. *Regular Class* - Members of the FRS who do not qualify for membership in the other classes.
2. *Senior Management Service Class (SMSC)* - Members in senior management level positions in state and local governments as well as assistant state attorneys, assistant statewide prosecutors, assistant public defenders, assistant attorneys general, deputy court administrators, assistant capital collateral representatives, and judges of compensation claims. Members of the Elected Officers' Class may elect to withdraw from the FRS or participate in the SMSC in lieu of the Elected Officers' Class.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employee Retirement Systems (Continued)

Florida Retirement System (Continued)

3. *Special Risk Class* - Members who are employed as law enforcement officers, firefighter trainers, fire prevention officers, state fixed-wing pilots for aerial firefighting surveillance, correctional officers, emergency medical technicians, paramedics, community-based correctional probation officers, youth custody officers (from July 1, 2001, through June 30, 2014), certain health-care related positions within state forensic or correctional facilities, or specified forensic employees of a medical examiner's office or a law enforcement agency, and meet the criteria to qualify for this class.
4. *Special Risk Administrative Support Class* - Former Special Risk Class members who are transferred or reassigned to nonspecial risk, law enforcement, firefighting, emergency medical care, or correctional administrative support positions within an FRS special risk-employing agency.
5. *Elected Officers Class (EOC)* - Members who are elected state and county officers, firefighters, and the elected officers of cities and special districts that choose to place their elected officials in this class.

Beginning July 1, 2001, through June 30, 2011, the FRS Pension Plan provided for vesting benefits after six-years of creditable service for members initially enrolled during this period. Members not actively working in a position covered by the FRS on July 1, 2001 must return to covered employment for up to one work year to be eligible to vest with less service than was required under the law in effect before July 1, 2001. Members initially enrolled on or after July 1, 2011, vest after eight years of creditable service. Members are eligible for normal retirement when they have met the requirements listed below. Early retirement may be taken any time after vesting within 20 years of normal retirement age; however, there is a 5 percent benefit reduction for each year prior to the normal retirement age.

Regular Class, Senior Management Service Class, and Elected Officers' Class Members - For members initially enrolled in the FRS before July 1, 2011, six or more years of creditable service and age 62, or the age after completing six years of creditable service if after age 62. Thirty years of creditable service regardless of age before age 62.

For members initially enrolled in the FRS on or after July 1, 2011, eight or more years of creditable service and age 65, or the age after completing eight years of creditable service if after age 65. Thirty-three years of creditable service regardless of age before age 65.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employee Retirement Systems (Continued)

Florida Retirement System (Continued)

Special Risk Class and Special Risk Administrative Support Class Members - For members initially enrolled in the FRS before July 1, 2011, six or more years of Special Risk Class service and age 55, or the age after completing six years of Special Risk Class service if after age 55. Twenty-five years of special risk service regardless of age before age 55. A total of 25 years of service including special risk service and up to four years of active duty wartime service and age 52. Without six years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

For members initially enrolled in the FRS or after July 1, 2011, eight or more years of Special Risk Class service and age 60, or the age after completing eight years of Special Risk Class service if after age 60. Thirty years of special risk service regardless of age before age 60. Without eight years of Special Risk Class service, members of the Special Risk Administrative Support Class must meet the requirements of the Regular Class.

Per State Statutes, contribution requirements of the active employees and the participating employers are established and may be amended by the FRS Board. Employees are required to contribute 3.00 percent of their annual pay. The District's contractually required contribution rates of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the District were \$921,618 (pension and HIS) for the year ended September 30, 2020.

Funding Policy:

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates, established by state law, are determined using the entry-age actuarial funding method. Future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Retirement benefits and the District's contribution rates are summarized as follows:

Membership Category	Retirement Benefit	Vesting	District Contributions Rate Actuarially Determined	
			Employer Contribution Rates Through June 30, 2020	Employer Contribution Rates Beginning July 1, 2020
Regular	1.6% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age.	After 6 years of creditable service.	8.47% of covered payroll	10.00% of covered payroll
Special Risk	3.0% times years of service times average compensation (5 highest years) if age 55 or 25 years of service at any age.	After 6 years of creditable service.	25.48% of covered payroll	24.45% of covered payroll
Special District Elected Officers	Same as Special Risk	After 6 years of creditable service.	48.82% of covered payroll	49.18% of covered payroll
DROP From FRS	-	-	14.60% of covered payroll	16.98% of covered payroll

Participants in FRS contribute 3% of their salary.

Deferred Retirement Option Program

The FRS Deferred Retirement Option Program (DROP) is available to a member when the member first reaches eligibility for normal retirement. DROP allows a member to retire while continuing employment for up to 60 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 6.5%. (The DROP interest rate is reduced to 1.3% for members who enter DROP on or after 7/1/11.) The member must cease employment after a maximum of 60 months, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. Employers must pay contributions at a rate of 14.60% of salary for all DROP participants prior to June 30, 2020. The contribution rate for DROP participants after July 1, 2020 was also 16.98%. FRS also provides disability and survivors' benefits.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Funding Policy (Continued):

The District's contributions include 1.66% for a post-retirement health insurance subsidy. FRS also provides disability and survivors benefits.

The contribution requirements of employers for the pension plan and the HIS program are established and may be amended by the Division of Retirement. The District's contributions and its required contributions for the past five years are summarized as follows:

<u>Year Ended</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>
September 30, 2020	\$ 921,618	100.0%
September 30, 2019	809,164	100.0
September 30, 2018	757,474	100.0
September 30, 2017	674,996	100.0
September 30, 2016	643,225	100.0

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions and HIS Program**

At September 30, 2020, the District reported a liability of \$9,725,136 and \$1,199,878 for its proportionate share of the net pension and HIS liability, respectively. The net pension liability was measured as of June 30, 2020, and the total pension and HIS liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan and HIS program relative to the projected contributions of all participating governments, actuarially determined. At June 30, 2020, the District's proportion was 0.022438407 percent for the pension plan and 0.009827144 percent for the HIS program.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)

For the year ended September 30, 2020, the District recognized pension expense of \$2,042,364 and \$98,735 for the pension plan and for the HIS program. At September 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the pension plan and the HIS program from the following sources:

	<u>FRS Pension Plan</u>		<u>FRS HIS Program</u>		<u>Total</u>	
	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>
	<u>Outflows</u>	<u>Inflows of</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Outflows of</u>	<u>Inflows of</u>
	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>
Difference between expected and actual experience	\$ 372,201	\$ -	\$ 49,082	\$ (926)	\$ 421,283	\$ (926)
Changes in assumptions	1,760,559	-	129,021	(69,768)	1,889,580	(69,768)
Net difference between projected and actual earnings on pension plan investments	579,044	-	958	-	580,002	-
Changes in proportion and difference between District's contribution and proportionate share of contributions	200,180	(200,180)	43,624	(43,624)	243,804	(243,804)
Employer contributions subsequent to June 30, 2020	<u>213,898</u>	<u>-</u>	<u>16,775</u>	<u>-</u>	<u>230,673</u>	<u>-</u>
Total	<u>\$ 3,125,882</u>	<u>(200,180)</u>	<u>\$ 239,460</u>	<u>\$ (114,318)</u>	<u>\$ 3,365,342</u>	<u>\$ (314,498)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)

Deferred outflows of resources related to District contributions paid subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30:	Pension Plan	HIS Plan	Total
2021	\$ 558,838	\$ 29,991	\$ 588,829
2022	870,356	22,247	892,603
2023	739,799	6,079	745,878
2024	442,255	14,116	456,371
2025	100,557	19,222	119,779
Thereafter	-	16,712	16,712
Total	\$ 2,711,805	\$ 108,367	2,820,172

Actuarial Assumptions. The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Pension Plan	HIS Program
Inflation	2.40 percent	2.40 percent
Salary increases	3.25 percent, average, including inflation	3.25 percent, average, including inflation
Investment rate of return	6.80 percent, net of pension plan investment expense,	2.21 percent, net of HIS Program investment expense
Discount rate of return	6.80 percent	2.21 percent

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)

The following changes in actuarial assumptions occurred in 2020:

- FRS: The long-term expected rate of return was decreased from 2.90% to 6.80%, and the active member mortality assumptions was updated from Generational RP-2000 with Projection Scale BB Tables to the PUB-2010 base table Projected generationally with Scale MP-2018 for Both the pension plan and HIS program.
- HIS: The municipal rate used to determine total pension liability was decreased from 3.50% to 2.21%.

The actuarial assumptions used in the June 30, 2020 actuarial valuation were based on the results of an actuarial experience study published in 2020 for the period July 1, 2013 - June 30, 2018 for the pension plan. Because the HIS Program is funded on a pay as you go basis, no experience study has been completed for that program.

Long-Term Expected Rate of Return:

The long-term expected rate of return assumption of 6.80 percent consists of two building block components: 1) a real (in excess of inflation) return of 4.30 percent, consistent with the currently articulated real return target in the current Florida State Board of Administration's investment policy, developed using capital market assumptions calculated by Aon Hewitt Investment Consulting; and 2) a long-term average annual inflation assumption of 2.40 percent as adopted in October 2020 by the FRS Actuarial Assumption Conference. In the opinion of the FRS consulting actuary, both components and the overall 6.80 percent return assumption were determined to be reasonable and appropriate per the Actuarial Standards of Practice. The 6.80 percent reported investment return assumption differs from the 7.00 percent investment return assumption chosen by the 2020 FRS Actuarial Assumption Conference for funding policy purposes, as allowable under governmental accounting and reporting standards.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)**

Long-Term Expected Rate of Return (Continued):

For reference, the table below contains a summary of Milliman’s assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	2.9%	2.2%	1.2%
Fixed Income	19%	3.0%	2.9%	3.5%
Global equity	54.2%	8.0%	6.7%	17.1%
Real estate	10.3%	6.4%	5.8%	11.7%
Private equity	11.1%	10.8%	8.1%	25.7%
Strategic investments	4.4%	5.5%	5.3%	6.9%
Assumed inflation - Mean			2.4%	1.7%

Calculation of Money-Weighted Rate of Return:

For the year ended June 30, 2020, the annual money-weighted rate of return on FRS pension plan investments, net of pension plan investment expenses, was 3.35 percent. The money-weighted rate of return considers the changing amounts estimated as invested during a period and weights the amount of pension plan investments by the proportion of time they are available to earn a return during that period. Cash flows are estimated on a monthly basis and are assumed to occur at the beginning of each month. Cash inflows are netted with cash outflows, resulting in a net cash flow in each month. The money-weighted rate of return is calculated net of investment expenses.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)**

Discount rate. The discount rate used to measure the total pension liability for the pension plan was 6.80 percent and 2.21 percent for the HIS program. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from the District will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available 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 for projected benefit payments to determine the total pension liability.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

11. Employees Retirement Systems (Continued)

Florida Retirement System (Continued)

Funding Policy (Continued):

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and
Deferred Inflows of Resources Related to Pensions and HIS Program (Continued)**

Sensitivity of the District's proportionate shares of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.80 percent (2.21 percent for HIS), as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Pension Plan		
	1% Decrease (5.80%)	Current Discount Rate (6.80%)	1% Increase (7.80%)
District's proportionate share of the net pension liability	\$ 15,529,408	\$ 9,725,136	\$ 4,877,383
	HIS Program		
	1% Decrease (1.21)	Current Discount Rate (2.21%)	1% Increase (3.21%)
District's proportionate share of the net pension liability	\$ 1,387,006	\$ 1,199,878	\$ 1,046,715

The net pension liability represents the liability for employees for projected pension benefit payments to be provided to current active and inactive employees that is attributed to those employees' past periods of service less the amount of the pension plan's fiduciary net position.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

12. Contingent Liabilities

The District did not receive federal grant funds during the fiscal year ended September 30, 2020 which were subject to the program compliance audit by the grantee under the Office of Management and Budget Uniform Guidance.

On January 20, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the District’s financial condition, liquidity, and future results of operations. Management is actively monitoring the global situation on its financial condition, liquidity, operations, suppliers, industry, and workforce. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the District is not able to estimate the effects of the COVID-19 outbreak on its results of operations, financial condition, or liquidity for fiscal year 2020.

13. Deferred Compensation Plan

The District maintains a deferred compensation plan (plan) under the provisions of Section 457 of the Internal Revenue Code, as amended. This law stipulates that all assets and income of the plan must be held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The District’s plan is administered by the Ameritas Life Insurance Corp, Retirement Plan Division, and provides the plan participants with the option to invest in different registered investment funds. The District has adopted a trust for this Plan in accordance with Section 457(b) of the Internal Revenue Code. Although the District will be the Trustee of this plan, the District has no administrative involvement and performs no investing function for the plan and has not therefore, included the plan in this financial report.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

14. Investment Measurement at Fair Value

Fair Value Measurement and Application - Government Accounting Standards Board (GASB) Statement No. 72, "Fair Value Measurement and Application" requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Governments should organize these disclosures by type of asset or liability reported in certain entities that calculate net asset value per share (or its equivalent). This statement has been implemented in these financial statements.

Fair Value Hierarchy

The accounting standards break down the fair value hierarchy into three levels based on how observable the inputs are that make up the valuation. The most observable inputs are classified as Level 1 where the unobservable inputs are classified as Level 3.

Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

As a general rule, any asset that has a daily closing price and is actively traded will be classified as a Level 1 input.

Level 2 inputs are inputs (other than quoted prices included within Level 1) that are observable for the asset or liability, either directly or indirectly. Inputs to the valuation methodology include: (1) quoted market prices for similar assets or liabilities in active markets, (2) quoted prices for identical or similar assets or liabilities in active markets, (3) inputs other than quoted prices that are observable for the asset or liability, and (4) inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

As a general rule, if an asset or liability does not fall into the requirements of a Level 1 or Level 2 input, it would default to Level 3. With Level 2 inputs, there is usually data that can be easily obtained to support the valuation, even though it is not as easily obtained as a Level 1 input would be.

Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

As a general rule, Level 3 inputs are those that are difficult to obtain on a regular basis and require verification from an outside party, such as an auditor or an appraisal, to validate the valuation.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

14. Investment Measurement at Fair Value (Continued)

Fair Value Hierarchy (Continued)

Net asset value (NAV) is a common measurement of fair value for Level 1, Level 2, and Level 3 investments. A fund's NAV is simply its assets less its liabilities, and is often reported as a per share amount for fair value measurement purposes. The Plan would multiply the NAV per share owned to arrive at fair value. Level 1 investment in funds such as mutual funds report at a daily NAV per share and are actively traded. NAV also comes in to play for Level 2 and 3 investments. As a matter of convenience (or referred to in accounting literature as a "practical expedient"), a Plan can use the NAV per share for investments in a nongovernmental entity that does not have a readily determined fair value, such as an alternative investment. Investments measured at NAV as a practical expedient would be excluded from the fair value hierarchy because the valuation is not based on actual market inputs but rather is quantified using the fund's reported NAV as a matter of convenience.

The Plan categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following total recurring fair value measurements as of September 30, 2020:

- *Debt securities* - Debt securities classified in Level 1 or Level 2 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used by International Data Pricing and Reference Data, LLC to value securities based on the securities' relationship to benchmark quoted prices.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

14. Investment Measurement at Fair Value (Continued)

Fair Value Hierarchy (Continued)

- *Mutual funds* - The rationale for inclusion in Level 1 or Level 2 points to the unobservable inputs involved in mutual fund pricing. Mutual funds do not trade using bid and ask, as with ETF's or common stock. Instead, the prices are determined by the net asset value of the underlying investments at the close of business for the next day's open. The underlying assets themselves may include a variety of Level 1 and Level 2 securities and some may be valued using matrix pricing which interpolates the price of a security based on the price of similar securities.
- *Fixed income funds* - Valued using pricing models maximizing the use of observable input for similar securities. This includes basing value on yield currently available on comparable securities of issues with similar credit ratings.
- *Equity funds* - Valued at market prices for similar assets in active markets.
- *Common stock* - Valued at quoted market prices for identical assets in active markets.

	2020 Fair Value	Unfunded Commitment	Redemption Notice Period
Florida Safe Investment Fund	\$ <u>1,993,036</u>	-	Same or next day
Total investments measured at NAV	\$ <u>1,993,036</u>		

The Florida SAFE Investment Pool (FLSAFE) is an independent local government investment pool created under the laws of Florida to provide eligible units of local government with investment vehicles to pool their surplus funds. FLSAFE investment pools are Stable Net Asset Value investment pools rated AAAM by Standard & Poor's. The investment advisor and administrator for the FLSAFE investment pool is PMA Financial Network.

Florida Safe Investment Pool (FLSAFE) has no unfunded commitments and all provide same day or next day redemption. The investment strategies prioritize safety of principal and liquidity over return, consistent with the District's investment strategy, investing in high-quality short-term investments.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits

Postemployment health care benefits are made available to the District's terminated employees in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Under COBRA, the District is required to offer an election to deceased or terminated participants, their spouses or dependents, to continue coverage in the health plan provided by the District. The cost of coverage which the District may charge the participant may not exceed 102% of the applicable premium.

GASB Statement No. 75: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), established new accounting standards for postretirement benefits. The new standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer's financial statement as an increase (or decrease) in the net OPEB obligation. Accordingly, the District did obtain an actuarial valuation in accordance with GASB 75 standards as of October 1, 2019, and discloses the following:

Plan Description and Funding Policy

Employees who retire from the District (District), and eligible dependents and survivors, are eligible to continue to participate in the District's health insurance programs at the "blended" employee group rate which is determined annually by the District and approved by the District Trustees. Retirees have 31 days to elect to enroll in the District's health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of September 30, 2020, there were no eligible retirees and dependents were participating in the District's health program.

The District provides no funding for any portion of the premiums after retirement. However, the District recognizes that there is an "implicit rate subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

SCHEDULE OF CHANGES IN NET OPEB LIABILITY

	<u>9/30/20</u>
Service cost	\$ 47,737
Interest	26,762
Change of benefit terms	-
Changes in assumptions	(25,193)
Difference between expected and actual experience	(14,085)
Benefit payments	<u>-</u>
Increase (decrease) in net OPEB obligation	35,221
Total OPEB liability, beginning of year	<u>597,134</u>
Total OPEB liability, end of year	<u>\$ 632,355</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information in the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

Sensitivity Plan Net Position Results

Plan Fiduciary Net Position

Plan fiduciary net position - beginning of year	\$	-
Contributions - employer		-
Contributions - active employees		-
Net investment income		-
Benefit payments		-
Trust administrative expenses		-
		<hr/>
Net change in plan fiduciary net position		-
Plan fiduciary net position - end of year		<hr/>
Total OPEB liability, end of year	\$	<u><u>632,355</u></u>

Sensitivity Results

The following presents the net OPEB liability as of September 30, 2020, calculated using the discount rate assumed and what it would be using a 1% high and 1% lower discount rate.

	1% Decrease <u>2.58%</u>	Discount Rate Assumption <u>3.58%</u>	1% Increase <u>4.58%</u>
Net OPEB liability \$	<u>697,635</u>	\$ <u>632,355</u>	\$ <u>572,752</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

Sensitivity Results (Continued)

The following presents the net OPEB liability as of September 30, 2020, using the health care, dental/vision, and HIS trend rates assumed and what it would be using 1% higher and 1% lower health care trend rates.

	1% Decrease 3.50%	Healthcare Cost Trend Rates 4.50%	1% Increase 5.50%
	<u> </u>	<u> </u>	<u> </u>
Net OPEB liability \$	\$ 548,026	\$ 632,355	\$ 733,180
	<u> </u>	<u> </u>	<u> </u>

For the year ended September 30, 2020, the District recognized OPEB expense of \$42,045. At September 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ (14,085)	\$ -
Changes in assumptions		25,193
Net difference between projected and actual earning in OPEB plan investment	<u> -</u>	<u> -</u>
Total	<u> \$ (14,085)</u>	<u> \$ 25,193</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation (Continued)

OPEB Expense and Deferred Outflows/Inflows of Resources

Actuarial Methods and Assumptions

The actuarial assumptions used in this report represent a reasonable long-term expectation of future OPEB outcomes. As national economic and District experience change over time, the assumptions will be tested for ongoing reasonableness and, if necessary, updated.

There are changes to the actual methods and assumptions since the last GASB valuation, which was for the fiscal year ending September 30, 2020. Refer to Detailed Actuary's Notes section for complete information on these changes. For current year GASB valuation, we have updated the per capita costs. We expect to update the discount rate, mortality table, health care trend rates, and per capital costs again in the next full GASB valuation, which will be for the fiscal year ending September 30, 2010.

Measurement Date	For fiscal year ending September 30, 2020 an October 1, 2019 measurement date was used.
Actuarial Cost Method	October 1, 2017 with results actuarially projected on a "no gain/no loss" basis to get to the October 1, 2018 measurement date. Liabilities as of October 1, 2017 are based on an actuarial valuation date of October 1, 2017 with no adjustments.
Discount rate	3.58% as of October 1, 2019 and 4.15% as of October 1, 2018 for accounting disclosure purposes. Refer to the Discussion of Discount Rates section for more information on selection of the discount rate.
Payroll Growth	3.25% (includes 2.60% inflation assumption and 0.65% merit increase) based on the Florida Retirement System June 30, 2019 Actuarial Valuation.
Inflation Rate	2.60% per year

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Cost Method	Allocation of Actuarial Present Value of Future Benefits for service prior and after the Measurement Date was determined using Entry Age Normal Level % of Salary method where: <ul style="list-style-type: none">• Service Cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and• Annual Service Cost is a constant percentage of the participant's salary that is assumed to increase according to the Payroll Growth.
Employer Funding Policy	Pay-as-you-go cash basis
Census Data	Census information was provided by the District in September 2020. We have reviewed it for reasonableness and not material modifications were made to the census data.
Health Care Coverage Rate	Active employees with current coverage: 30% Active employees with no coverage age: 0% Inactive employees with current coverage: 100% Inactive employees with no coverage: 0%
Spousal Coverage	Spousal coverage for active employees and retirees are based on actual data. Husbands are assumed to be three years older than wives for future retirees.
Mortality	Surviving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table full generational using Scale MP-2020.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Disability None

Retirement Rate Each employee is assumed to retire at age 58 or upon meeting the minimum age/service requirement, whichever is later. If the employee is currently over the age of 58 and he has met the minimum age/service requirement, he is assumed to retire immediately.

Turnover Rate Assumption used to project terminations (voluntary and involuntary) prior to meeting minimum retirement eligibility for retiree health coverage. The rate represents probability of termination in the next 12 months. Rates are based on the Florida Retirement system June 30, 2019 Actuarial Valuation for Special Risk employees:

Males					
Years of Service	Age				
	20	30	40	50	55+
0	17.5%	15.5%	17.0%	17.5%	17.5%
5	4.0%	5.0%	5.0%	4.0%	5.0%
10	2.5%	2.5%	2.5%	2.5%	2.5%
15	1.5%	1.5%	1.5%	1.5%	1.5%
20	1.0%	1.0%	1.0%	1.5%	1.5%
25	0.5%	0.5%	0.5%	1.0%	1.0%
30+	0.5%	0.5%	0.5%	1.0%	1.0%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Turnover Rate (Continued)

Years of Service	Females				
	Age				
	20	30	40	50	55+
0	24.0%	24.0%	26.0%	30.0%	30.0%
5	6.5%	6.5%	6.5%	6.5%	6.5%
10	3.5%	3.5%	3.5%	5.0%	5.0%
15	2.3%	2.3%	2.3%	3.0%	3.0%
20	1.5%	1.5%	1.5%	2.0%	2.0%
25	1.0%	1.0%	1.0%	1.0%	1.0%
30+	1.0%	1.0%	1.0%	1.0%	1.0%

Per Capita Costs

Annual per capital costs were calculated based on the October 1, 2019 premium rates increased using health index factors and current enrollment. The costs are assumed to increase with medical trend rates. All employees are assumed to elect the plan they are currently enrolled in at retirement. Annual per capita costs by plan are shown below:

<u>Plan</u>	<u>Rates</u>
Choice+	\$ 18,985

The per capital costs represent the cost of coverage for a retiree-only population.

Actuarial standards require the recognition of higher inherent costs for a retired population versus an active population.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Health Care Trend Rates

FYE	Rates	FYE	Rates
2020	7.0%	2025	6.0%
2021	7.5%	2025	5.5%
2022	7.0%	2026	5.0%
2023	6.5%	2027	4.5%

*Actual premium rate trend from plan year October 1, 2019 to October 1, 2020 was used.

The initial trend rate was based on a combination of employer history, national trend surveys, and professional judgment.

The ultimate trend rate was selected based on historical medical CPI information.

Retiree Contributions

Retiree contributions are assumed to increase according to health care trend rates.

Explicit Subsidy

The difference between (a) the premium rate and (b) the retiree contribution. Below is an example of the monthly explicit subsidies for a pre-Medicare retiree and spouse enrolled in the Choice+ plan.

	Premium Rate	Retiree Contribution	Explicit Subsidy
	<u>A</u>	<u>B</u>	<u>C=A - B</u>
Retiree	\$736.34	\$ 736.34	\$ 0.00
Spouse	\$846.79	\$ 846.79	\$ 0.00

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Implicit Subsidy

The difference between (a) the per capita cost and (b) the premium rate. Below is an example of the monthly implicit subsidies for a pre-65 retiree and spouse of the same age enrolled in the Choice+ plan.

	Per Capita Cost	Retiree Contribution	Implicit Subsidy
	A	B	C= A - B
Retiree	\$ 1,528.08	\$ 736.34	\$ 845.74
Spouse	\$ 1,582.08	\$ 846.79	\$ 735.29

All employers that utilize premium rates based on blended active/retiree-claims experience will have an implicit subsidy. There is an exception for Medicare plans using a true community rated premium rate.

GASB Subsidy Breakdown

Below is a breakdown of the GASB 75 monthly total cost for a pre-65 retiree and spouse of the same age enrolled in the Choice+ plan.

	Retiree	Spouse
Retiree contribution	\$ 736.34	\$ 846.79
Explicit subsidy	\$ 0.00	\$ 0.00
Implicit subsidy	\$ 845.74	\$ 735.29
Total monthly cost	\$ 1,582.08	\$ 1,582.28

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Health Care Trend Rates

FYE	Rates	FYE	Rates
2020	7.0%	2024	6.0%
2021	7.5%	2025	5.5%
2022	7.0%	2026	5.0%
2023	6.5%	2027	4.5%

*Actual premium rate trend from plan year October 1, 2019 to October 1, 2020 was used.

The initial trend rate was based on a combination of employer history, national trend surveys, and professional judgment.

The ultimate trend rate was selected based on historical medical CPI information.

Retiree Contributions

Retiree contributions are assumed to increase according to health care trend rates.

Explicit Subsidy

The difference between (a) the premium rate and (b) the retiree contribution. Below is an example of the monthly explicit subsidies for a pre-Medicare retiree and spouse enrolled in the Choice+ plan.

	Premium Rate	Retiree Contribution	Explicit Subsidy
	<u>A</u>	<u>B</u>	<u>C=A - B</u>
Retiree	\$ 736.34	\$ 736.341	\$ 0.00
Spouse	\$ 846.79	\$ 846.79	\$ 0.00

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2020

15. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions (Continued)

Implicit Subsidy

The difference between (a) the per capita cost and (b) the premium rate. Below is an example of the monthly implicit subsidies for a pre-65 retiree and spouse of the same age enrolled in the Choice+ plan.

	Per Capita Cost	Retiree Contribution	Implicit Subsidy
	A	B	C= A - B
Retiree	\$ 1,582.08	\$ 735.34	\$ 846.79
Spouse	\$ 1,582.08	\$ 846.79	\$ 735.29

All employers that utilize premium rates based on blended active/retiree-claims experience will have an implicit subsidy. There is an exception for Medicare plans using a true community rated premium rate.

GASB Subsidy Breakdown

Below is a breakdown of the GASB 75 monthly total cost for a male retiree age 62 with spouse of the same age enrolled in the Choice+ plan.

	Retiree	Spouse
Retiree contribution	\$ 736.34	\$ 846.79
Explicit subsidy	\$ 0.00	\$ 0.00
Implicit subsidy	\$ 845.74	\$ 735.29
Total monthly cost	\$ 1,582.08	\$ 1,582.28

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REQUIRED SUPPLEMENTARY INFORMATION

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE FLORIDA RETIREMENT SYSTEM
PENSION PLAN NET PENSION LIABILITY**

Last Six Fiscal Years

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
District's proportion of the net pension liability (asset)	0.022438407%	0.021364420%	0.021655966%	0.020978613%	0.021034728%	0.016260165%
District's proportionate share of the net pension liability (asset)	\$ 9,725,136	\$ 7,357,609	\$ 6,522,889	\$ 6,205,333	\$ 5,311,285	\$ 2,100,218
District's covered employee payroll	\$ 3,584,040	\$ 3,192,510	\$ 3,962,197	\$ 2,927,974	\$ 2,506,079	\$ 2,167,619
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	271.34%	230.46%	213.01%	211.93%	211.93%	96.89%
Plan fiduciary net position as a percentage of the total pension liability	72.56%	82.61%	84.25%	83.89%	84.88%	92.00%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE FLORIDA RETIREMENT SYSTEM PENSION PLAN

Last Six Fiscal Years

	<u>September 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>	<u>September 30,</u> <u>2018</u>	<u>September 30,</u> <u>2017</u>	<u>September 30,</u> <u>2016</u>	<u>September 30,</u> <u>2015</u>
Actuarially required contribution	\$ 745,529	\$ 662,451	\$ 812,204	\$ 546,125	\$ 512,965	\$ 381,341
Contributions in relation to the contractually required contribution	<u>745,529</u>	<u>662,451</u>	<u>812,204</u>	<u>546,125</u>	<u>512,965</u>	<u>381,341</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 3,584,040	\$ 3,192,510	\$ 3,062,197	\$ 2,927,974	\$ 2,506,079	\$ 2,167,619
Contributions as a percentage of covered-employee payroll	20.80%	20.75%	26.52%	18.65%	20.47%	17.59%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE FLORIDA RETIREMENT SYSTEM
HIS PROGRAM NET PENSION LIABILITY**

Last Six Fiscal Years

	<u>September 30, 2020</u>	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
District's proportion of the net pension liability (asset)	0.009827144%	0.009502204%	0.009739882%	0.008706595%	0.009052922%	0.796355100%
District's proportionate share of the net pension liability (asset)	\$ 1,199,878	\$ 1,063,202	\$ 1,030,880	\$ 930,947	\$ 1,055,081	\$ 812,157
District's covered employee payroll	\$ 3,584,040	\$ 3,192,510	\$ 3,062,197	\$ 2,927,974	\$ 2,506,079	\$ 2,167,619
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33.47%	33.30%	33.66%	31.79%	42.10%	37.46%
Plan fiduciary net position as a percentage of the total pension liability	1.03%	1.89%	2.14%	2.15%	1.64%	0.60%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE FLORIDA RETIREMENT SYSTEM HIS PROGRAM

Last Six Fiscal Years

	<u>September 30,</u> <u>2020</u>	<u>September 30,</u> <u>2019</u>	<u>September 30,</u> <u>2018</u>	<u>September 30,</u> <u>2017</u>	<u>September 30,</u> <u>2016</u>	<u>September 30,</u> <u>2015</u>
Actuarially required contribution	\$ 56,629	\$ 52,765	\$ 93,452	\$ 89,358	\$ 47,976	\$ 83,708
Contributions in relation to the contractually required contribution	<u>56,629</u>	<u>52,765</u>	<u>93,452</u>	<u>89,358</u>	<u>47,976</u>	<u>83,708</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 3,584,040	\$ 3,192,510	\$ 3,062,197	\$ 2,927,974	\$ 2,506,079	\$ 2,167,619
Contributions as a percentage of covered-employee payroll	1.58%	1.65%	3.05%	3.05%	1.91%	3.86%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF INVESTMENT RETURNS

FLORIDA RETIREMENT SYSTEM PENSION PLAN

Last Four Fiscal Years

	September 30, <u>2020</u>	September 30, <u>2019</u>	September 30, <u>2018</u>	September 30, <u>2017</u>
Annual money-weighted rate of return net of investment expenses	<u>3.35%</u>	<u>5.97%</u>	<u>9.26%</u>	<u>13.57%</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Last Two Fiscal Years

OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS

	<u>9/30/20</u>	<u>9/30/19</u>
Total OPEB Liability	\$ 47,737	\$ 52,693
Interest	26,762	23,209
Change in benefit terms	-	-
Changes in assumptions	(25,193)	(34,865)
Difference between expected and actual experience	<u>(14,085)</u>	<u>(30,581)</u>
Increase (decrease) in Net OPEB obligation	35,221	10,456
Total OPEB liability, beginning of year	<u>597,134</u>	<u>586,678</u>
Total OPEB liability end of year (a)	<u>\$ 632,355</u>	<u>\$ 597,134</u>
Plan Fiduciary Net Position		
Contributions - employer	\$ -	\$ -
Contributions - active employees	-	-
Net investment income	-	-
Benefit payments	-	-
Net change in plan trust fiduciary position	-	-
Plan fiduciary net position - beginning of year	-	-
Plan fiduciary net position - end of year (b)	<u>-</u>	<u>-</u>
Net OPEB liability - end of year (a) - (b)	<u>\$ 632,355</u>	<u>\$ 597,134</u>
Plan fiduciary net position as % of Total OPEB liability	0.00%	0.00%
Covered employee payroll	\$ 2,892,796	\$ 3,224,404
Net OPEB liability as % of covered payroll	21.90%	18.50%

Note: Information prior to FY 2018 is not available.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Last Three Fiscal Years

OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF CONTRIBUTIONS

	<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>
Actuarially determined contributions (ADC)	\$ N/A	\$ N/A	\$ N/A
Contributions in relation to ADC	<u>-</u>	<u>-</u>	<u>-</u>
Contribution deficiency/(excess)	N/A	N/A	N/A
Covered employee payroll	\$ <u>2,892,796</u>	\$ <u>3,224,404</u>	\$ <u>2,790,163</u>
Contributions as % of covered employee payroll	0.00%	0.00%	0.00%

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION

Last Three Fiscal Years

OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF RETURNS

	<u>9/30/20</u>	<u>9/30/19</u>	<u>9/30/18</u>
Annual money-weighted rate of return, net of investment expense	\$ N/A	\$ N/A	\$ N/A

Note: Information prior to FY 2018 is not available.

INDIVIDUAL GENERAL FUND

FINANCIAL STATEMENTS

AND

SCHEDULES

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GOVERNMENTAL FUND

GENERAL FUND

The General Fund is the general operating fund of the District. It is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

BALANCE SHEET

September 30, 2020

ASSETS

	<u>2020</u>
Cash	\$ 134,254
Investments	1,993,036
Accrued interest	
Accounts receivable (net of uncollectible accounts):	
Intergovernmental:	
State	3,810
County	4,974
Accounts	1,692
Prepaid items	<u>1,256</u>
TOTAL ASSETS	<u>\$ 2,139,022</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:	
Accounts payable	\$ 116,250
Accrued salaries and benefits payable	<u>164,118</u>
TOTAL LIABILITIES	280,368
FUND BALANCE:	
Nonspendable	1,256
Assigned	343,123
Unassigned	<u>1,514,275</u>
TOTAL FUND BALANCE	<u>1,858,654</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,139,022</u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	2020			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:				
Assessments:				
Fire	\$ 4,821,674	\$ 4,821,674	\$ 4,919,717	\$ 98,043
EMS contract	1,587,944	1,737,944	1,830,427	92,483
Plan and Inspection fees	15,780	15,780	5,888	(9,892)
Investment income	48,060	48,060	36,293	(11,767)
Miscellaneous	2,214	2,214	61,535	59,321
Intergovernmental:				
State	16,080	16,080	14,880	(1,200)
TOTAL REVENUES	6,491,752	6,641,752	6,868,740	226,988
EXPENDITURES:				
Current:				
Public Safety-Fire and EMS:				
Salaries	3,084,841	3,071,810	3,072,624	(814)
Overtime	392,144	434,195	558,920	(124,725)
Social security	267,220	251,125	263,547	(12,422)
Retirement	872,975	870,083	870,083	-
Group health insurance	714,911	733,570	733,570	-
Workers' compensation	116,948	101,600	101,600	-
Referendum	29,235	29,235	29,235	-
Legal fees	23,430	13,770	13,770	-
Physicals	17,037	16,325	16,325	-
Tax collection	297,396	301,406	301,406	-
Professional fees	22,000	23,642	23,642	-
Travel	3,777	1,756	1,756	-
Telephone	9,648	11,006	11,006	-
Postage	770	49	49	-
Electricity	18,654	17,431	17,431	-
Utilities	5,314	4,717	4,717	-
Small equipment	5,663	8,836	8,836	-
Information technology	40,228	40,969	40,969	-
Insurance	79,952	74,308	74,308	-
Apparatus and equipment repairs	105,655	120,676	120,667	9
Repair and maintenance	12,761	9,370	9,370	-
Public relations	8,592	9,239	9,239	-
Office supplies	2,684	1,905	1,905	-
Operations	41,334	42,649	42,649	-
Small tools and supplies	119	181	181	-
Petroleum products	36,177	29,834	29,834	-
Custodial	3,810	4,319	4,319	-
Uniforms and protective gear	24,678	30,584	21,844	8,740
Education	22,863	12,388	12,388	-
Emergency Operation Center	2,000	11,485	11,485	-
Investment expense	-	180	180	-
Certifications	-	7,997	7,997	-
Dues and publications	6,123	5,637	5,638	(1)
Principal - equipment loan	-	-	8,749	-
Capital outlay	38,500	163,166	163,166	-
Expense reimbursements	18,294	20,290	20,290	-
SUB-TOTAL PUBLIC SAFETY-				
Fire and EMS expenditures	6,325,733	6,475,733	6,613,695	(137,962)

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

(CONTINUED)

	2020			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
TOTAL EXPENDITURES	6,325,733	6,475,733	6,613,695	(137,962)
EXCESS OF REVENUES OVER EXPENDITURES	166,019	166,019	255,045	89,026
OTHER FINANCING SOURCES:				
Proceeds from insurance	-	-	12,063	12,063
Total other financing sources	-	-	12,063	12,063
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES	166,019	166,019	267,108	101,089
FUND BALANCE, OCTOBER 1	1,591,546	1,591,546	1,591,546	-
FUND BALANCE, SEPTEMBER 30	\$ 1,757,565	\$ 1,757,565	\$ 1,858,654	\$ 101,089

See Notes to Financial Statements.

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CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND

SCHEDULE BY SOURCE

September 30, 2020

GENERAL FIXED ASSETS:

Land	\$	61,000
Buildings		349,350
Equipment		<u>3,481,729</u>
Total general fixed assets	\$	<u><u>3,892,079</u></u>
Investment in general fixed assets from:		
General Fund	\$	<u>3,892,079</u>
Total investments in general fixed assets	\$	<u><u>3,892,079</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION
OF THE GOVERNMENTAL FUND
SCHEDULES BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2020

	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Equipment</u>
Public safety:				
EMS and Fire Protection	\$ <u>3,892,079</u>	\$ <u>61,000</u>	\$ <u>349,350</u>	\$ <u>3,481,729</u>
Total general fixed assets	\$ <u><u>3,892,079</u></u>	\$ <u><u>61,000</u></u>	\$ <u><u>349,350</u></u>	\$ <u><u>3,481,729</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS-
BY FUNCTION AND ACTIVITY

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2020

	General Fixed Assets October 1, 2019	Additions	Deductions	General Fixed Assets September 30, 2020
Public safety:				
EMS and Fire Protection	\$ 3,838,715	\$ 163,166	\$ 109,802	\$ 3,892,079
Total public safety	<u>\$ 3,838,715</u>	<u>\$ 163,166</u>	<u>\$ 109,802</u>	<u>\$ 3,892,079</u>

See Notes to Financial Statements.

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STATISTICAL SECTION

This part of the Pinellas Suncoast Fire & Rescue District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Content	Page
Financial Trends	85
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	82
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property assessment.</i>	
Debt Capacity	97
<i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue debt in the future.</i>	
Operating Information	99
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial reports relates to the services the government provides and the activities it performs.</i>	

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

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FINANCIAL TRENDS

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:										
Invested in capital assets	\$ 1,622,473	\$ 1,599,068	\$ 1,238,326	\$ 1,329,524	\$ 1,298,856	\$ 1,423,007	\$ 1,463,231	\$ 1,566,270	\$ 1,308,296	\$ 1,266,962
Restricted for capital projects	270,979	354,630	391,190	299,698	729,487	487,249	366,277	278,817	302,547	277,663
Unrestricted (deficit)	<u>(7,124,893)</u>	<u>(5,429,053)</u>	<u>(4,251,569)</u>	<u>(3,178,096)</u>	<u>(2,911,516)</u>	<u>(1,687,056)</u>	<u>1,866,573</u>	<u>1,654,809</u>	<u>1,726,116</u>	<u>1,486,632</u>
Total primary government net position	<u>\$ (5,231,441)</u>	<u>\$ (3,475,355)</u>	<u>\$ (2,622,053)</u>	<u>\$ (1,548,874)</u>	<u>\$ (883,173)</u>	<u>\$ 223,200</u>	<u>\$ 3,696,081</u>	<u>\$ 3,499,896</u>	<u>\$ 3,336,959</u>	<u>\$ 3,031,257</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
EXPENSES										
Governmental Activities:										
Public safety Fire										
and EMS Protections:										
Fire and EMS protection	\$ <u>8,652,068</u>	\$ <u>6,374,674</u>	\$ <u>6,361,956</u>	\$ <u>5,921,401</u>	\$ <u>6,324,662</u>	\$ <u>6,486,960</u>	\$ <u>4,338,108</u>	\$ <u>4,354,676</u>	\$ <u>4,069,373</u>	\$ <u>4,399,152</u>
Total governmental activities expenses	\$ <u><u>8,652,068</u></u>	\$ <u><u>6,374,674</u></u>	\$ <u><u>6,361,956</u></u>	\$ <u><u>5,921,401</u></u>	\$ <u><u>6,324,662</u></u>	\$ <u><u>6,486,960</u></u>	\$ <u><u>4,338,108</u></u>	\$ <u><u>4,354,676</u></u>	\$ <u><u>4,069,373</u></u>	\$ <u><u>4,399,152</u></u>
PROGRAM REVENUES										
Governmental activities:										
Charges for services	\$ <u>36,293</u>	\$ <u>20,450</u>	\$ <u>26,853</u>	\$ <u>29,411</u>	\$ <u>40,338</u>	\$ <u>42,088</u>	\$ <u>68,553</u>	\$ <u>67,311</u>	\$ <u>75,954</u>	\$ <u>92,353</u>
Total governmental activities program revenues	\$ <u><u>36,293</u></u>	\$ <u><u>20,450</u></u>	\$ <u><u>26,853</u></u>	\$ <u><u>29,411</u></u>	\$ <u><u>40,338</u></u>	\$ <u><u>42,088</u></u>	\$ <u><u>68,553</u></u>	\$ <u><u>67,311</u></u>	\$ <u><u>75,954</u></u>	\$ <u><u>92,353</u></u>
NET (EXPENSE) REVENUE										
Governmental activities	\$ <u><u>(8,615,775)</u></u>	\$ <u><u>(6,354,224)</u></u>	\$ <u><u>(6,335,103)</u></u>	\$ <u><u>(5,891,990)</u></u>	\$ <u><u>(6,284,324)</u></u>	\$ <u><u>(6,444,872)</u></u>	\$ <u><u>(4,269,555)</u></u>	\$ <u><u>(4,287,365)</u></u>	\$ <u><u>(3,993,419)</u></u>	\$ <u><u>(4,306,799)</u></u>
Total primary government net expense	\$ <u><u>(8,615,775)</u></u>	\$ <u><u>(6,354,224)</u></u>	\$ <u><u>(6,335,103)</u></u>	\$ <u><u>(5,891,990)</u></u>	\$ <u><u>(6,284,324)</u></u>	\$ <u><u>(6,444,872)</u></u>	\$ <u><u>(4,269,555)</u></u>	\$ <u><u>(4,287,365)</u></u>	\$ <u><u>(3,993,419)</u></u>	\$ <u><u>(4,306,799)</u></u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN NET POSITION (CONTINUED)

LAST TEN FISCAL YEARS

(accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Activities:										
Taxes:										
Assessments	\$ 4,919,717	\$ 3,609,655	\$ 3,608,379	\$ 3,622,049	\$ 3,634,012	\$ 3,641,391	\$ 3,623,779	\$ 3,609,518	\$ 3,552,094	\$ 3,595,772
Impact fees	15,179	62,270	91,492	115,685	242,238	202,776	110,969	80,029	18,240	8,608
EMS contract	1,830,427	1,602,541	1,849,860	1,435,967	1,254,652	704,947	664,235	636,510	592,656	549,606
Intergovernmental	5,888	125,617								
Investment earnings	61,535	65,229	44,160	27,653	21,085	15,672	15,661	21,389	26,296	26,043
Miscellaneous	<u>26,943</u>	<u>35,610</u>	<u>32,836</u>	<u>24,935</u>	<u>25,964</u>	<u>75,683</u>	<u>51,096</u>	<u>102,856</u>	<u>109,835</u>	<u>94,647</u>
Total governmental activities	<u>6,859,689</u>	<u>5,500,922</u>	<u>5,626,727</u>	<u>5,226,289</u>	<u>5,177,951</u>	<u>4,640,469</u>	<u>4,465,740</u>	<u>4,450,302</u>	<u>4,299,121</u>	<u>4,274,676</u>
Total primary government	<u>\$ 6,859,689</u>	<u>\$ 5,500,922</u>	<u>\$ 5,626,727</u>	<u>\$ 5,226,289</u>	<u>\$ 5,177,951</u>	<u>\$ 4,640,469</u>	<u>\$ 4,465,740</u>	<u>\$ 4,450,302</u>	<u>\$ 4,299,121</u>	<u>\$ 4,274,676</u>
CHANGE IN NET POSITION										
Governmental activities	<u>\$ (1,756,086)</u>	<u>\$ (853,302)</u>	<u>\$ (708,376)</u>	<u>\$ (665,701)</u>	<u>\$ (1,106,373)</u>	<u>\$ (1,804,403)</u>	<u>\$ 196,185</u>	<u>\$ 162,937</u>	<u>\$ 305,702</u>	<u>\$ (32,123)</u>
Total primary government	<u>\$ (1,756,086)</u>	<u>\$ (853,302)</u>	<u>\$ (708,376)</u>	<u>\$ (665,701)</u>	<u>\$ (1,106,373)</u>	<u>\$ (1,804,403)</u>	<u>\$ 196,185</u>	<u>\$ 162,937</u>	<u>\$ 305,702</u>	<u>\$ (32,123)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental Funds:										
Nonspendable	\$ 1,256	\$ 29,235	\$ -	\$ -	\$ 79,194	\$ 36,929	\$ 13,050	\$ -	\$ -	\$ -
Restricted	270,979	354,630	391,190	299,698	729,487	487,249	366,277	278,817	302,547	277,663
Assigned	343,123	343,123	343,123	343,123	957,995	957,995	1,019,495	916,866	1,454,882	1,293,175
Unassigned	<u>1,514,275</u>	<u>1,219,188</u>	<u>1,373,202</u>	<u>1,265,932</u>	<u>968,954</u>	<u>1,226,552</u>	<u>1,329,981</u>	<u>1,311,993</u>	<u>718,592</u>	<u>698,012</u>
Total governmental funds	<u>\$ 2,129,633</u>	<u>\$ 1,946,176</u>	<u>\$ 2,107,515</u>	<u>\$ 1,908,753</u>	<u>\$ 2,735,630</u>	<u>\$ 2,708,725</u>	<u>\$ 2,728,803</u>	<u>\$ 2,507,676</u>	<u>\$ 2,476,021</u>	<u>\$ 2,268,850</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
REVENUES										
Assessments	\$ 4,919,717	\$ 3,609,655	\$ 3,608,379	\$ 3,622,049	\$ 3,634,012	\$ 3,641,391	\$ 3,623,779	\$ 3,609,518	\$ 3,552,094	\$ 3,595,772
EMS contract	1,830,427	1,602,541	1,849,860	1,435,967	1,254,652	704,947	664,235	636,510	592,656	549,606
Impact fees	15,179	62,270	91,492	115,685	242,238	202,776	110,969	80,029	18,240	8,608
Intergovernmental revenue	5,888	125,617	-	-	-	-	-	-	-	-
Charges for services	36,293	20,450	26,853	29,411	40,338	42,088	68,553	67,311	75,954	92,353
Interest earnings	61,535	65,229	44,160	27,653	21,085	15,672	15,661	21,389	26,296	26,043
Miscellaneous	14,880	34,618	30,265	24,935	25,964	53,086	42,737	74,556	109,835	94,647
Total revenues	6,883,919	5,520,380	5,651,009	5,255,700	5,218,289	4,659,960	4,525,934	4,489,313	4,375,075	4,367,029
EXPENDITURES										
Public safety:										
Fire and EMS protection	6,712,525	6,304,517	5,454,818	6,086,077	5,191,384	4,702,633	4,313,166	4,485,958	4,167,904	4,179,844
Total expenditures	6,712,525	6,304,517	5,454,818	6,086,077	5,191,384	4,702,633	4,313,166	4,485,958	4,167,904	4,179,844
Excess of revenues over (under) expenditures	171,394	(784,137)	196,191	(830,377)	26,905	(42,673)	212,768	3,355	207,171	187,185
OTHER FINANCING SOURCES (USES)										
Sale of equipment	-	-	-	3,500	-	3,546	50	28,300	-	21,500
Proceeds from insurance	12,063	992	2,571	-	-	19,049	8,309	-	-	-
Proceeds from debt	-	621,806	-	-	-	-	-	-	-	24,461
Total other financing sources (uses)	12,063	622,798	2,571	3,500	-	22,595	8,359	28,300	-	45,961
Net change in fund balances	\$ 183,457	\$ (161,339)	\$ 198,762	\$ (826,877)	\$ 26,905	\$ (20,078)	\$ 221,127	\$ 31,655	\$ 207,171	\$ 233,146
Debt service as a percentage of noncapital expenditures	<u>1.51%</u>	<u>1.91%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>6.49%</u>	<u>1.54%</u>	<u>1.81%</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTIONS

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Public Safety Fire and EMS</u>	<u>Capital Outlay Fire and EMS</u>	<u>Total</u>
2011	\$ 4,155,602	\$ 24,242	\$ 4,179,844
2012	4,147,935	19,969	4,167,904
2013	4,458,437	27,521	4,485,958
2014	4,298,839	14,327	4,313,166
2015	4,589,291	113,342	4,702,633
2016	5,175,089	16,295	5,191,384
2017	5,402,474	683,603	6,086,077
2018	5,447,533	7,285	5,454,818
2019	5,682,711	621,806	6,304,517
2020	6,549,359	163,166	6,712,525

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL GOVERNMENTAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Assessments</u>	<u>EMS Contract</u>	<u>Impact Fees</u>	<u>Charge for Services</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total</u>
2011	\$ 3,595,772	\$ 549,606	\$ 8,608	\$ 92,353	\$ 26,043	\$ 94,647	\$ 4,367,029
2012	3,552,094	592,656	18,240	75,954	26,296	109,835	4,375,075
2013	3,609,518	636,510	80,029	67,311	21,389	74,556	4,489,313
2014	3,623,779	664,235	110,969	68,553	15,661	42,737	4,525,934
2015	3,641,391	704,947	202,776	42,088	15,672	53,086	4,659,960
2016	3,634,012	1,254,652	242,238	40,338	21,085	25,964	5,218,289
2017	3,622,049	1,435,967	115,685	29,411	27,653	24,935	5,255,700
2018	3,608,379	1,858,610	91,492	26,853	44,160	21,515	5,651,009
2019	3,609,655	1,602,541	62,270	20,450	65,229	260,235	5,620,380
2020	4,919,717	1,830,427	15,179	36,293	61,535	20,768	6,883,919

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REVENUE CAPACITY

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

ASSESSMENT FEE SCHEDULE

September 30, 2020

	<u>2010 to 2019</u>	<u>2019 to 2020</u>
SINGLE RESIDENCES	\$ 260.00	\$ 360.00
APARTMENTS, CONDOMINIUMS & TIME SHARES	260.00	360.00
CONDO GARAGE SPACE, STORAGE UNIT, BOAT SLIP (separate title)	95.00	95.00
MOTELS:		
Manager's or Owner's Quarters	260.00	260.00
Rental Units (Efficiencies or otherwise)	165.00	265.00
VACANT LOTS: Each Lot	95.00	95.00
VACANT LOTS with XFSB (i.e. Shed, Dock, Barn) Additional	25.00	25.00
UNPLATTED LAND: Each Acre	124.00	124.00
COMMERCIAL UNITS: Up to 500 Sq. Ft.	286.00	386.00
Per sq. foot over the first 500 Sq. Ft.	0.20	0.20
MOBILE HOME LOTS:		
Occupied by Manager or Owner	260.00	260.00
Rental Space	165.00	265.00
RECREATIONAL VEHICLE LOTS:		
Occupied by Manager or Owner	260.00	260.00
Rental Space	165.00	265.00
FUEL PUMPS (Any number)	625.00	625.00
ABOVE GROUND OIL STORAGE TANKS:		
5000 gal. or less	490.00	490.00
Each 1000 gal. or fraction thereof over 5000	85.00	85.00
HOTELS & COMMERCIAL UNITS:	385.00	385.00
(a) With Kitchen..... additional	385.00	385.00
(b) With Dining Room..... additional	385.00	385.00
(c) With Bar..... additional	385.00	385.00
(d) Each Room...(Hotel only) additional	115.00	115.00

Voters approved an increased tax assessment by referendum on March 12, 2019. The increased tax assessment was collected November 2019. (Fiscal year ended September 30, 2020)

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Taxable Assessed Valuation</u>	<u>EMS Millage Rate</u>	<u>Levy</u>	<u>Less Collection Fees Discounts and County Reallocation</u>	<u>EMS Contract Collections</u>
2011	2,439,994,339	0.8506	2,075,459	1,529,473	545,986
2012	2,339,423,742	0.9158	2,142,444	1,553,478	588,966
2013	2,302,317,537	0.9158	2,108,462	1,494,798	613,664
2014	2,413,441,940	0.9158	2,210,230	1,549,415	660,815
2015	2,587,208,019	0.9158	2,369,365	1,664,418	704,947
2016	2,747,846,713	0.9158	2,516,478	1,287,172	1,229,306
2017	2,746,401,599	0.9158	2,515,155	1,265,566	1,249,589
2018	2,959,182,941	0.9158	2,710,020	929,915	1,780,105
2019	3,229,823,283	0.9158	2,957,872	1,439,453	1,518,419
2020	3,484,636,035	0.9158	3,191,230	1,625,073	1,566,157

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (CONTINUED)
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended September 30</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Other Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Valuation</u>
2011	\$ 2,202,453,514	122,039,752	115,501,073	-	\$ 2,439,994,339
2012	2,126,759,904	108,933,747	103,730,121	-	2,339,423,772
2013	2,087,701,524	110,494,298	104,121,715	-	2,302,317,537
2014	2,206,353,200	102,093,496	104,995,244	-	2,413,441,940
2015	2,370,485,003	103,332,219	113,390,797	-	2,587,208,019
2016	2,523,627,906	104,069,614	120,149,193	-	2,747,846,713
2017	2,513,944,000	109,073,436	123,384,163	-	2,746,401,599
2018	2,550,342,562	259,982,464	148,857,915	-	2,959,182,941
2019	2,907,521,686	151,910,849	170,390,748	-	3,229,823,283
2020	3,301,232,769	211,369,724	194,643,705	-	3,484,636,035

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

TAXABLE ASSESSED PROPERTY BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Single Family	Mobile Homes	Condominiums and Cooperatives	Multi-Family	Retirement Homes	Commercial	Industrial	Institutional and Agricultural	Miscellaneous	Total
2011	1,098,134,224	1,376,875	977,423,860	111,180,833	785,000	121,254,752	-	16,256	129,822,539	2,700,559,002
2012	1,057,289,998	1,345,020	956,968,905	100,979,097	674,236	108,259,511	-	236,136	113,670,869	2,439,994,339
2013	1,052,312,936	1,342,078	924,667,775	100,735,750	631,641	109,862,657	-	259,845	112,501,855	2,339,423,772
2014	1,078,943,499	1,452,152	993,850,778	98,500,703	638,798	101,378,122	-	265,024	138,412,864	2,302,317,537
2015	1,153,783,967	1,558,075	1,067,636,046	105,649,112	657,353	102,674,866	-	267,872	154,980,728	2,587,208,019
2016	1,228,932,688	1,827,125	1,144,138,008	111,330,384	667,345	103,402,269	-	-	157,548,894	2,747,846,713
2017	1,223,448,294	1,827,125	1,138,917,779	107,518,887	667,345	108,406,091	-	-	165,616,078	2,746,401,599
2018	1,303,159,975	1,962,648	1,230,327,736	114,056,129	686,629	112,660,531	-	-	196,329,293	2,959,182,941
2019	1,412,677,728	2,114,463	1,324,005,304	120,244,363	755,292	151,155,557	-	616,439	218,254,137	3,229,823,283
2020	1,608,101,991	2,402,220	1,470,910,058	135,224,613	1,133,000	210,236,724	-	741,093	278,496,499	3,707,246,198

* The 2009 property types were not available from Pinellas County.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

TAXABLE VALUATIONS, ASSESSMENTS
LEVIED AND COLLECTED
LAST TEN FISCAL YEARS

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Taxable valuation	\$ <u>2,439,994,339</u>	\$ <u>2,339,423,772</u>	\$ <u>2,302,317,537</u>	\$ <u>2,413,441,940</u>	\$ <u>2,587,208,019</u>	\$ <u>2,745,873,137</u>	\$ <u>2,746,401,599</u>	\$ <u>2,959,182,941</u>	\$ <u>3,229,823,283</u>	\$ <u>3,707,246,198</u>
Total assessments levied	\$ 3,577,890	\$ 3,539,544	\$ 3,596,701	\$ 3,606,890	\$ 3,622,953	\$ 3,610,864	\$ 3,585,357	\$ 3,590,247	\$ 3,590,433	\$ 4,866,847
Less: Adjustments and discounts	<u>130,722</u>	<u>124,546</u>	<u>125,539</u>	<u>121,822</u>	<u>193,673</u>	<u>190,478</u>	<u>191,967</u>	<u>184,428</u>	<u>193,610</u>	<u>266,101</u>
Net assessments levied	\$ <u>3,447,168</u>	\$ <u>3,414,998</u>	\$ <u>3,471,162</u>	\$ <u>3,485,068</u>	\$ <u>3,429,280</u>	\$ <u>3,420,386</u>	\$ <u>3,393,390</u>	\$ <u>3,405,819</u>	\$ <u>3,396,823</u>	\$ <u>4,600,746</u>
Net assessments collected	\$ <u>3,382,129</u>	\$ <u>3,339,378</u>	\$ <u>3,406,963</u>	\$ <u>3,414,533</u>	\$ <u>3,425,048</u>	\$ <u>3,416,974</u>	\$ <u>3,401,534</u>	\$ <u>3,415,870</u>	\$ <u>3,416,045</u>	\$ <u>4,631,315</u>

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DEBT CAPACITY

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

COMPUTATION OF OVERLAPPING DEBT
GENERAL OBLIGATION BONDS AND OTHER DEBT⁽²⁾
SEPTEMBER 30, 2020

		<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Net General Nonsell- Supporting Revenue Debt</u>	<u>Total</u>	<u>Percentage Applicable to District</u>	<u>Amount Applicable to District</u>
Overlapping debt:						
Pinellas County School Board (1)	\$	-	\$	-	*	\$
						*
RATIO:						
Overall debt to 2020 taxable value					<u> *</u>	%
Overall debt per capita					\$ <u> *</u>	

⁽¹⁾ The District's share is calculated based on the ratio of the 2020 County Taxable Value of \$ _____ to the District's Taxable Value of \$ _____*.

⁽²⁾ The District has no direct general obligation bonded debt.

* The information for this schedule has not been available from Pinellas County since FYE 09/30/13.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Legal Debt Margin Calculation: ⁽¹⁾										
Total budgeted revenues of the District for the fiscal year ended September 30	\$ 6,491,752	\$ 5,459,102	\$ 5,540,139	\$ 5,108,419	\$ 4,934,921	\$ 4,424,489	\$ 4,385,292	\$ 4,391,201	\$ 4,260,759	\$ 4,101,236
Limitation on debt service	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>
Maximum annual debt service allowable	\$ <u>3,245,876</u>	\$ <u>2,729,551</u>	\$ <u>2,770,070</u>	\$ <u>2,554,210</u>	\$ <u>2,467,461</u>	\$ <u>2,212,245</u>	\$ <u>2,195,600</u>	\$ <u>2,130,380</u>	\$ <u>2,050,618</u>	\$ <u>2,280,345</u>
Total current year's principal and interest payments on the District's outstanding debt: Capital lease note	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 284,489	\$ 73,992	\$ 73,992
Total principal and interest payments, fiscal year ended September 30	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ <u>284,489</u>	\$ <u>73,992</u>	\$ <u>73,992</u>

⁽¹⁾ In accordance with c.189 Florida Statutes.

OPERATING INFORMATION

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

FULL-TIME EQUIVALENT
DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

<u>FUNCTION</u>	Full-Time Equivalent Employees as of September 30,									
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire:										
- Firefighter Officer	5	5	4	5	4	6	4	5	5	5
- Firefighter Paramedic	17	17	19	18	17	16	14	15	15	16
- Firefighter EMT	16	16	14	15	15	17	12	12	13	11
- Administrative Staff	3	4	4	4	4	4	4	4	3	3
- Mechanic and maintenance	2	2	2	2	2	2	2	2	2	2

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

OPERATING INDICATORS BY FUNCTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,

<u>FUNCTION</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire:										
Number of Fire calls	607	723	614	704	674	604	526	523	584	377
Number of EMS calls	2,694	2,805	2,852	3,006	2,988	2,412	2,183	2,217	2,323	2,214
District population	* 17,153	17,153	17,153	17,153	17,153	17,153	17,153	17,153	17,153	17,153

* Last census - 2010

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,

<u>FUNCTION</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Public Safety:										
Fire/EMS:										
Fire Stations	3	3	3	3	3	3	2	2	2	2
Fire Engines	5	4	4	4	4	4	4	4	4	4

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

SCHEDULE OF INSURANCE IN FORCE

September 30, 2020

Policy Number	Type of Coverage	Effective Date	Company	Limit of Liability	Premium		
VFIS-TR-2065196-09/000	Property - Station 26	10/01/19	American Alternative Insurance Corporation (AAIC)	\$ -	\$ 11,677		
	Property - Station 27			\$ 3,421,422			
	Property - Station 28			\$ 2,052,854			
	<u>Crime:</u>						
	Public Employee Dishonesty			\$ 200,000	\$ 261		
	Computer Fraud			\$ 50,000			
	Fraudulent Impersonation			\$ 50,000			
	Identity Fraud			\$ 25,000			
	Management (Includes Cyber & HIPPA) Liability			\$ 2,000,000	\$ 6,914		
	General Liability			\$ 2,000,000	\$ 13,297		
Excess Liability	\$ 2,000,000	\$ 4,365					
Portable Equipment	\$ Replacement Cost	\$ 1,709					
VFIS-CM-1059191-09/000	Auto	10/01/19	AAIC	\$ 1,000,000	\$ 23,490		
WC2FL1 0524001 19-15	Worker's Compensation	10/01/19	PGIT	\$ 1,000,000	\$ 100,987		
Public Official Bonds:							
21BSBGX0616	Bruni, Joseph	11/03/19 to 11/03/20	The Hartford	\$ 5,000	\$ 100		
21BSBIF3864	Ardman, David B.	10/15/19 to 11/03/20	The Hartford	\$ 5,000	\$ 106		
21BSBGQ1374	Schear, Lawrence G.	11/03/19 to 11/03/20	The Hartford	\$ 5,000	\$ 100		
21BSBGS0980	Gardella, David	11/03/19 to 11/03/20	The Hartford	\$ 5,000	\$ 100		
21BSBHJ7377	Louis R. Snelling	11/03/19 to 11/03/20	The Hartford	\$ 5,000	\$ 100		
CFP-5410-0336E-3 VFP-4410-7226E-2	Accidental Death - Paid Accidental Death - Volunteer	10/01/19	National Union Fire Insurance Company of Pittsburgh	\$ 50,000 \$ 50,000	\$ 7,130 \$ 1,158		
ADD N11086767	Blanket Accident Insurance	10/01/18 to 10/01/19	Ace American	\$ 66,050 to 184,000	\$ 872		
TOTAL PREMIUMS					\$ 164,078		

OTHER REPORTS

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REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENTAL AUDITING STANDARDS

AND

ATTESTATION REPORT

AND

MANAGEMENT LETTER

AND

MANAGEMENT MEMORANDUM
ON REVIEW OF INTERNAL CONTROL STRUCTURE

September 30, 2020

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**REPORT ON
INTERNAL CONTROL
AND COMPLIANCE**

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Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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

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, each major fund and the budgetary comparisons for the general fund of the Pinellas Suncoast Fire & Rescue District, Florida, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the Pinellas Suncoast Fire & Rescue District, Florida’s (District) basic financial statements, and have issued our report thereon dated June 1, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District’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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the District’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.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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

Purpose of this Report

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



Tampa, Florida
June 1, 2021

ATTESTATION REPORT

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INDEPENDENT ACCOUNTANT'S REPORT

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have examined the Pinellas Suncoast Fire & Rescue District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2020. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test bases, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2020.

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

Saltmarsh Cleaveland & Gund

Tampa, Florida
June 1, 2021

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MANAGEMENT LETTER

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Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

Report on the Financial Statements

We have audited the financial statements of the Pinellas Suncoast Fire & Rescue District, Florida as of and for the fiscal year ended September 30, 2020 and have issued our report thereon dated June 1, 2021.

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 Controller General of the United States; and Chapter 10.550, Rules of the Auditor General

Other Reports and Schedule

We have issued our Independent Auditors Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General Disclosures in those reports and schedule, which are dated June 1, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address finding and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no findings or recommendations made on internal control and compliance issues during the preceding annual financial audit.

Saltmarsh, Cleaveland & Gund

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Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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. This disclosure has been included in the District's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2020.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7) Rules of the Auditor General, require that we apply appropriate procedures and report the results of our determination as to whether or not the Pinellas Suncoast Fire & Rescue District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Section 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures. It is management's responsibility to monitor the Pinellas Suncoast Fire & Rescue District'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 address in the management letter 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, require that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

Purpose of this Letter

Our management letter is intended solely for the information and use of the legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than those specified parties.



Tampa, Florida
June 1, 2021

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**MEMORANDUM ON REVIEW
OF INTERNAL CONTROL STRUCTURE**

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June 1, 2021

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information which collectively comprise the basic financial statements of the Pinellas Suncoast Fire & Rescue District as of and for the year ended September 30, 2020, and have issued our report thereon dated June 1, 2021 .

We have issued our Report on Compliance and Internal Accounting Controls in Accordance with *Government Auditing Standards* dated June 1, 2021. Disclosures in that report, if any, should be considered in conjunction with this management memorandum.

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

In planning and performing our audit of the financial statements of Pinellas Suncoast Fire & Rescue District we considered the District’s internal control structure to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we observed a matter that is an opportunity for strengthening internal control and operating efficiency.

2019-2020

- A. Performance Review

2018-2019

- A. GASB Statement No. 87

2019-2020

A. Performance Review

Recently the State Legislature passed HB 1103 relating to special district accountability. This bill could create a new section of law, Section 189.0695. It provides that certain specified independent special districts must contract with an independent entity to conduct a performance review. Performance review means an examination of a program, activity or function of a governmental entity, conducted in accordance with applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies.

We recommend that the Fire Chief and Finance Director follow this new legislation.

2018-2019

A. GASB Statement No. 87

In June 2017, the Governmental Accounting Standards Board (GASB, the Board) issued Statement No. 87, *Leases* to provide more useful decision-making information for the users of state and local government financial statements. In many respects, Statement No. 87 is similar to the lease accounting and reporting standards established by the Financial Accounting Standards Board (FASB) for business entities. For example, both standards are based on the principle that a leased asset represents the right to use such an asset for the period of the lease term, and both address accounting and reporting requirements and lessors.

Last year we recommended that the District become familiar with this new standard.

This recommendation has been implemented.

* * * * *

This memorandum is intended solely for the use of the District's Board of Fire Commissioners, management, the Pinellas County, Florida Board of County Commissioners and the Florida Auditor General and is not intended to be and should not be read by anyone other than specified parties.

We appreciate the courtesy and assistance provided to us by the District's personnel during our audit. We will review the status of the above comments during our next audit engagement. We have already discussed many of these comments and suggestions with District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

SALTMARSH, CLEVELAND & GUND, P.A.

MANAGEMENT'S RESPONSE

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Pinellas Suncoast Fire & Rescue

304 FIRST STREET
INDIAN ROCKS BEACH, FLORIDA 33785-2587

(727) 595-1117 FAX: (727) 250-0111

www.psfrd.org

June 1, 2021

Saltmarsh, Cleaveland & Gund
Ms. Jeanine L. Bittinger, CPA
One Tampa City Center
201 N. Franklin St.
Ste. 1625
Tampa, FL 33602-5816

Dear Jeanine:

In reference to your June 1, 2021 Internal Control Memorandum to the Board of Fire Commissioners about the recent State Legislated HB 1103 regarding special district accountability through an independent entity conducted performance review.

As recommended, the Fire Chief and Finance Director will follow this new legislation.

We are committed to GASB and State Legislated compliance with full financial disclosure in accordance with the principles of generally accepted governmental reporting as well as being accountable for all our governmental activity.

Sincerely,

A handwritten signature in blue ink, appearing to read "David Martin", with a long horizontal flourish extending to the right.

David Martin
Finance Director

cc. Chief T. Michael Burton

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AFFADAVIT OF

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

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Pinellas Suncoast Fire & Rescue

304 FIRST STREET
INDIAN ROCKS BEACH, FLORIDA 33785-2587

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FIRE CHIEF
Michael Burton

Affidavit of Pinellas Suncoast Fire & Rescue District

State of Florida
SS.
County of Pinellas

BEFORE ME, the undersigned Notary Public, personally appeared David Martin, Chief Financial Officer, representing the Pinellas Suncoast Fire & Rescue District, which is located at 304 First Street Indian Rocks Beach, FL 33785, in the county of Pinellas, and makes this his statement and affidavit upon oath and affirmation of belief and personal knowledge that the following matters, facts, and things set forth are true and correct to the best of his knowledge:

Calculation of the Impact Fee is based on the most recent and localized data. The District accounts for and reports the impact fee collections and expenditures. The District imposes an impact fee to address its infrastructure needs and accounts for the revenues and expenditures in a separate accounting fund. The District limits administrative charges for the collection of impact fees to actual costs. Notice is provided no less than 90 days before the effective date of a resolution imposing a new or increased impact fee.

I declare under penalty of perjury under the laws of the State of Florida that the foregoing is true and correct.



David Martin, Chief Financial Officer 09/30/2020
Date

Notary Public

On this the 19th day of January, 2019, the foregoing instrument was sworn to and subscribed before me by David Martin, known or proven to me to be the person whose name is subscribed to the within instrument.

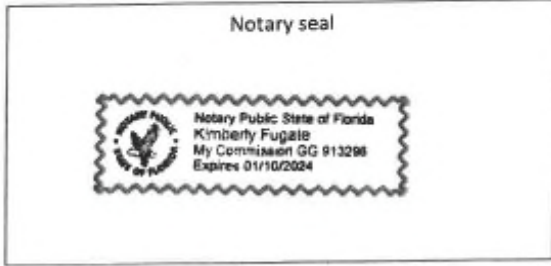
WITNESS my hand and official seal.

Kimberly Fugate

Notary printed name
Kimberly Fugate

Notary Signature

My Commission Expires: 1/10/2024



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