

FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS' REPORTS

PINELLAS PLANNING COUNCIL
(A Component Unit of Pinellas County, Florida)

September 30, 2021

PINELLAS PLANNING COUNCIL

COUNCIL MEMBERS SEPTEMBER 30, 2021

Chair	Darden Rice Councilmember, City of St. Petersburg
Vice Chair	Joanne Kennedy Mayor, City of Indian Rocks Beach
Treasurer	David Allbritton Councilmember, City of Clearwater
Secretary	Janet Long Commissioner, Pinellas County
	Dave Eggers Commissioner, Pinellas County
	Pat Gerard Commissioner, Pinellas County
	Karen Seel Commissioner, Pinellas County
	Brandi Gabbard Councilmember, City of St. Petersburg
	Patti Reed Vice Mayor, City of Pinellas Park
	Bonnie Noble Councilmember, Kenneth City
	Julie Ward Bujalski Mayor, City of Dunedin
	Cliff Merz Commissioner, City of Safety Harbor
	Michael Smith Commissioner, City of Largo

ADMINISTRATION

Executive Director	Whit Blanton, FAICP
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INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

To the Members
Pinellas Planning Council
A Component Unit of Pinellas County, Florida
Clearwater, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and general fund of the Pinellas Planning Council (the "Council"), a component unit of Pinellas County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the general fund of the Council as of September 30, 2021, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Council's basic financial statements. The Other Information identified in the table of contents is presented for additional analysis and are not a required part of the basic financial statement. This information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 7, 2022, on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.



Tampa, Florida
March 7, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

PINELLAS PLANNING COUNCIL MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("MD&A") of the financial performance and activity of the Pinellas Planning Council (the "Council") is to provide an introduction and understanding of the financial statements of the Council for the year ended September 30, 2021, with selected comparisons to the prior year ended September 30, 2020. The information presented should be read in conjunction with the financial statements, notes, and supplemental schedules found in this report.

Financial Highlights

- The assets and deferred outflows of resources of the Council were less than its liabilities and deferred inflows of resources at September 30, 2021, by \$2,923,637 (net deficit). Net deficit decreased by \$61,928 from the previous fiscal year primarily due to pension and Other Postemployment Benefit ("OPEB") related expenses decreasing by approximately \$400,000 for the fiscal year ended September 30, 2021.
- As of September 30, 2021, the Council's general fund reported an ending fund balance of \$1,183,066, a decrease of \$98,081 from the previous fiscal year.
- Fund balance has been assigned in an amount equal to approximately 30% of total fund balance. The amount of assigned fund balance represents the current year fund balance projected to be used to balance the subsequent year's operating budget.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The financial section of this report consists of four parts: Report of Independent Auditor, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and the compliance section. The basic financial statements include two kinds of statements that present different views of the Council.

Government-Wide Financial Statements

The government-wide financial statements provide both long-term and short-term information about the Council's overall financial status. These statements use a format similar to a private sector business. They include a statement of net position and a statement of activities.

The statement of net position presents information on the Council's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position, the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources, is a useful way to measure the Council's financial health.

The statement of activities presents information showing how the Council's net position changed during this fiscal year. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. This statement separates program revenue (charges for services, grants, and contributions) from general revenue (including taxes), which shows the extent to which each program must rely on taxes for funding.

PINELLAS PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

Fund Financial Statements

The Council, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 Council uses one governmental fund to account for its operations.

The Council follows Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, this set of financial statements focuses on events that produce near-term inflows and outflows of spendable resources as well as on the balances of spendable resources available at the end of the fiscal year and is a narrower focus than the government-wide financial statements.

By comparing functions between the two sets of statements for government funds and governmental activities, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison.

The Council adopts an annual appropriated budget for the general fund. A budgetary comparison statement is provided for the general fund in order to present budgetary compliance.

The financial statements also include notes. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis of the Government as a Whole

As noted earlier, changes in net position over time can be a useful indicator of a government's financial position. At the end of the fiscal year ended September 30, 2021, the assets and deferred outflows of the Council were less than the liabilities and deferred inflows by \$2,923,637.

PINELLAS PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

Following is a comparison of the Council's net position as of September 30:

	<u>2021</u>	<u>2020</u>
Cash and investments	\$ 673,878	\$ 728,784
Taxes and other receivables	8,598	7,638
Due from Pinellas County Metropolitan Planning Organization	521,721	618,959
Prepaid items	10,217	3,142
Capital assets, net	<u>2,636</u>	<u>4,855</u>
Total assets	<u>1,217,050</u>	<u>1,363,378</u>
Deferred outflows of resources	<u>622,933</u>	<u>857,085</u>
Accounts payable and accrued expenses	31,348	77,376
Accrued rent payable	9,639	892
Compensated absences	230,427	182,823
Net pension liability	788,183	2,269,464
OPEB liability	<u>1,789,965</u>	<u>1,695,367</u>
Total liabilities	<u>2,849,562</u>	<u>4,225,922</u>
Deferred inflows of resources	<u>1,914,058</u>	<u>980,107</u>
Net Position:		
Net investment in capital assets	2,636	4,855
Unrestricted	<u>(2,926,273)</u>	<u>(2,990,421)</u>
Net deficit	<u>\$ (2,923,637)</u>	<u>\$ (2,985,566)</u>

Governmental activities increased the Council's net position by \$61,929 primarily as a result of pension and OPEB related expenses decreasing by approximately \$400,000 for the fiscal year ended September 30, 2021.

Following is a comparison of the Council's statement of activities for the years ended September 30:

	<u>2021</u>	<u>2020</u>
Revenues:		
Program revenues:		
Charges for services	\$ 1,125,118	\$ 1,254,848
General revenue:		
Property taxes	1,336,028	1,245,617
Investment earnings	2,551	1,786
Total revenues	<u>2,463,697</u>	<u>2,502,251</u>
Expenses:		
Planning expenses	<u>2,401,768</u>	<u>2,829,581</u>
Increase (decrease) in net position	61,929	(327,330)
Net deficit, beginning of year	<u>(2,985,566)</u>	<u>(2,658,236)</u>
Net deficit, end of year	<u>\$ (2,923,637)</u>	<u>\$ (2,985,566)</u>

Planning expenses decreased primarily as a result of pension and OPEB related expenses decreasing by approximately \$400,000 for the fiscal year ended September 30, 2021

PINELLAS PLANNING COUNCIL
MANAGEMENT'S DISCUSSION AND ANALYSIS – CONTINUED

Financial Analysis of the Council's General Fund

As noted earlier, the Council uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. This information is useful in assessing the Council's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Council's net resources available for spending at the end of the fiscal year.

As of September 30, 2021, the Council's general fund reported an ending fund balance of \$1,183,066, a decrease of \$98,081 in comparison with the previous fiscal year. Of this amount, \$817,929 or 69% is considered unassigned. The remainder fund balance is either non-spendable or has been assigned to balance the budget in the upcoming fiscal year.

Economic Factors/Currently Known Facts, Decisions, or Conditions

The Council is primarily funded by property tax revenues. While the millage rate remains at 0.0150, the maximum millage rate that can be levied is 0.1666 mills. Looking forward to fiscal years 2022 and 2023, the Council anticipates total tax revenue to grow by an estimated 6.6%. Total revenues for fiscal year 2022 are estimated to be \$3,008,130 which includes interest, local government assistance, and the Pinellas County Metropolitan Planning Organization ("MPO") charges for services from recurring state and federal grants.

During fiscal year 2021, the Council continued to draw down its Unassigned Fund Balance ("UFB") to an acceptable level, as established by Council policy, while addressing critical planning needs facing the community. The Council remains in a strong position of countywide support, despite several controversial land development projects, because of its role integrating land use and transportation decision-making and providing sound technical assistance to local governments in Pinellas County.

With assurances from Pinellas County Government to continue providing the local match for a key federal planning grant and the strong economy, the Council is not seeking a millage increase in the coming fiscal year. The Council has the resources to continue advancing key planning projects and providing the level of service necessary to meet its mission, roles, and responsibilities.

While the demand remains for the Council to step up its resources to meet countywide and community needs for support, the Council will continue to operate within its current financial resources for the immediate future.

Requests for Information

This financial report is designed to provide a general overview of the Council's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed as follows:

Whit Blanton, FAICP Executive Director
Pinellas County Planning Council
310 Court Street
Clearwater, Florida 33756

BASIC FINANCIAL STATEMENTS

PINELLAS PLANNING COUNCIL

STATEMENT OF NET POSITION

September 30, 2021

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and investments	\$ 673,878
Taxes receivable	8,598
Due from Pinellas County Metropolitan Planning Organization	521,721
Prepaid items	<u>10,217</u>
Total current assets	<u>1,214,414</u>
Noncurrent assets:	
Capital assets, net of accumulated depreciation	<u>2,636</u>
Total assets	<u>1,217,050</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension related amounts	490,991
OPEB related amounts	<u>131,942</u>
Total deferred outflows of resources	<u>622,933</u>
LIABILITIES	
Current liabilities:	
Accounts payable and accrued expenses	31,348
Compensated absences, current portion	<u>193,559</u>
Total current liabilities	<u>224,907</u>
Noncurrent liabilities:	
Accrued rent payable	9,639
Compensated absences	36,868
Net pension liability	788,183
OPEB liability	<u>1,789,965</u>
Total noncurrent liabilities	<u>2,624,655</u>
Total liabilities	<u>2,849,562</u>
DEFERRED INFLOWS OF RESOURCES	
Pension related amounts	1,283,889
OPEB related amounts	<u>630,169</u>
Total deferred inflows of resources	<u>1,914,058</u>
NET POSITION	
Net investment in capital assets	2,636
Unrestricted	<u>(2,926,273)</u>
Total net deficit	<u>\$ (2,923,637)</u>

The accompanying notes are an integral part of this statement.

PINELLAS PLANNING COUNCIL
STATEMENT OF ACTIVITIES
For the year ended September 30, 2021

	Governmental Activities
Program expenses:	
Planning:	
Personal services	\$ 1,828,030
Materials and services	440,987
Rent	93,458
Property appraiser and tax collector commissions	37,074
Depreciation	2,219
Total program expenses	2,401,768
Program revenues:	
Charges for services, planning	1,125,118
Total program revenues	1,125,118
Net program deficit	(1,276,650)
General revenues	
Property taxes	1,336,028
Investment and other income	2,551
Total general revenues	1,338,579
Increase in net position	61,929
Net deficit, beginning of year	(2,985,566)
Net deficit, end of year	\$ (2,923,637)

The accompanying notes are an integral part of this statement.

PINELLAS PLANNING COUNCIL
BALANCE SHEET – GENERAL FUND

September 30, 2021

ASSETS	
Cash and investments	\$ 673,878
Taxes receivables	8,598
Due from Pinellas County Metropolitan Planning Organization	521,721
Prepaid items	10,217
Total assets	<u>\$ 1,214,414</u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenses	<u>\$ 31,348</u>
Total liabilities	<u>31,348</u>
 Fund balance:	
Non-spendable	10,217
Assigned to:	
Subsequent year's budget	354,920
Unassigned	817,929
Total fund balance	<u>1,183,066</u>
Total liabilities and fund balance	<u>\$ 1,214,414</u>

The accompanying notes are an integral part of this statement.

PINELLAS PLANNING COUNCIL

RECONCILIATION OF THE BALANCE SHEET – GENERAL FUND
TO THE STATEMENT OF NET POSITION

September 30, 2021

Total Fund Balance for the General Fund		\$ 1,183,066
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in the general fund are not financial resources and, therefore, not reported in governmental funds.		
Capital assets	37,665	
Less accumulated depreciation	<u>(35,029)</u>	2,636
Deferred outflows and inflows of resources related to net pension liabilities and OPEB do not have a current financial impact and, therefore, are not recognized in the governmental resources focus fund statements.		
Deferred outflows	622,933	
Deferred inflows	<u>(1,914,058)</u>	(1,291,125)
Compensated absences are not due and payable in the current period, therefore, are not reported in the governmental fund statements.		(230,427)
Net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund statements.		(788,183)
OPEB liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund statements.		(1,789,965)
Accrued rent was not reported in the governmental fund statements since there was no amount due for payment.		<u>(9,639)</u>
Net Position (Deficit) of Governmental Activities		<u><u>\$ (2,923,637)</u></u>

The accompanying notes are an integral part of this statement.

PINELLAS PLANNING COUNCIL

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

For the year ended September 30, 2021

Revenues:	
Property taxes	\$ 1,336,028
Charges for services	1,123,018
Contract services	2,100
Investment and other income	2,551
Total revenues	<u>2,463,697</u>
Expenditures:	
Payroll, taxes, and benefits	1,999,005
Property appraiser and tax collector commissions	37,074
Office rent	84,712
Intergovernmental services	319,750
Contractual support services	26,234
Accounting and audit	16,488
Advertising notice	18,906
Communications, advocacy, and education	11,660
Office supplies and materials	2,701
Telephone	3,456
Council activities	1,121
Travel	954
Printing and reproduction	7,774
Mail	2,540
Capital outlay	15,197
Miscellaneous	14,206
Total expenditures	<u>2,561,778</u>
Net change in fund balance	(98,081)
Fund balance, beginning of year	<u>1,281,147</u>
Fund balance, end of year	<u>\$ 1,183,066</u>

The accompanying notes are an integral part of this statement.

PINELLAS PLANNING COUNCIL

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

For the year ended September 30, 2021

Net change in fund balance - General Fund	\$	(98,081)
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	-	
Less current year depreciation	<u>(2,219)</u>	(2,219)
Compensated absences are not due and payable in the current period and therefore, are not reported in the governmental funds statements. This amount represents the change in compensated absences in the current year.		
		(47,604)
Net effect of pension and OPEB related expenses which decreased net position.		
		218,580
Operating lease payments are recorded as expenditures when amounts become due for payment; however, in the statement of activities they are reported as expenses under the straight-line basis.		
		<u>(8,747)</u>
Change in net position of governmental activities	<u>\$</u>	<u>61,929</u>

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

PINELLAS PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS

September 30, 2021

NOTE A - ORGANIZATION AND REPORTING ENTITY

1. Reporting Entity

The Pinellas Planning Council (the "Council"), a component unit of Pinellas County, Florida (the "County"), is authorized under Chapters 88-464 and 90-396, of the Laws of Florida. The Council's purpose is to formulate and execute objectives and policies necessary for the orderly growth, development, and environmental protection of the County as a whole. The Council serves as an advisory board and provides preliminary recommendations on proposed changes to the adopted Countywide Future Land Use Plan. The Board of County Commissioners, sitting as the Countywide Planning Authority, can overrule the Council with a super majority vote (majority plus one).

The Board of County Commissioners of Pinellas County also has the right to review the Council's budget and increase or reduce it as it deems necessary. Based on the control the County Commissioners of Pinellas County have over the Council, as described above, the Council is considered a component unit of the County in accordance with Governmental Accounting Standards Board ("GASB"). The Council has considered any entities for which it has oversight and there are none meeting the criteria for inclusion in its financial statements.

2. Membership of the Council

The Council and the Pinellas County Metropolitan Planning Organization ("MPO") are separate legal entities, but both are presented to the public as one organization known as Forward Pinellas under a single governance structure. Forward Pinellas is governed by a 13-member board of elected officials. These officials represent municipal governments, the Board of County Commissioners, and the Pinellas Suncoast Transit Authority. The composition of the Forward Pinellas board is determined by Chapter 339.175, Florida Statutes. Several of the board positions rotate on a two-year basis. Each individual agency is responsible for selecting its membership on the board.

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Presentation

The financial statements of the Council have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") as applied to government units. GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles in the United States of America. The more significant of the Council's accounting policies are described below.

2. Measurement Focus and Basis of Accounting

The operations of the Council are recorded in a governmental fund. Governmental funds are used to account for activities primarily supported by taxes, grants, and similar revenue sources.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

The Council reports the general fund as a major governmental fund, which represents the Council's sole operating fund and accounts for all financial resources of the Council.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and collected. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the government.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

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 Council 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, expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

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, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

3. Cash and Investments

Cash includes amounts on hand and in demand deposit accounts. The Council's investment policy is to maintain funds in near-cash investments, which yield the highest possible return within the limitations established by Florida statutes and the County ordinances. The Council's investments are recorded at amortized cost.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

4. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

5. Capital Assets

Capital assets, which include furniture, equipment, and leasehold improvements, are reported in governmental activities in the government-wide financial statements. The Council defines capital assets as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized. The Council's furniture and equipment is depreciated using the straight-line method over the estimated useful life of three to five years. Leasehold improvements are depreciated using the straight-line method over the remaining lease term.

6. Receivables

No substantial losses are anticipated from present receivable balances, therefore, no allowance for uncollectible accounts is deemed necessary.

7. Compensated Absences

It is the Council's policy to permit employees to accumulate earned but unused annual leave. All annual leave 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.

8. Accrued Rent

Operating lease arrangements are recognized on a straight-line basis in the government-wide statements over the life of the lease. Accrued rent is the difference between the straight-line recognition and the actual amount paid.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

9. Deferred Outflows/Inflows of Resources

In addition to assets, a statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred outflows of resources reported in the Council's statement of net position represent pension deferrals due to differences between expected and actual economic experience, changes in actuarial assumptions, the net difference between projected and actual earnings, changes in the proportion and differences between the Council's contributions and proportionate share of contributions, and the Council's contributions subsequent to the measurement date.

The deferred outflows relate to the Florida Retirement System ("FRS") Pension Plan, the Retiree Health Insurance Subsidy ("HIS") Program and the Other Postemployment Benefit ("OPEB") Plan. These amounts will be recognized as increases in pension expense in future years.

In addition to liabilities, a statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources reported in the Council's statement of net position represent pension deferrals due to the difference between expected and actual economic experience, changes in actuarial assumptions, the net difference between projected and actual earnings, and changes in the proportion and differences between the Council's contributions and proportionate share of contributions relating to FRS Pension Plan, HIS Program, and OPEB Plan. These amounts will be recognized as reductions in pension expense in future years.

10. Pensions

In the government-wide statement of net position, liabilities are recognized for the Council's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of FRS defined benefit plan and HIS and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

11. Other Postemployment Benefits

In the government-wide statement of net position, a liability is recognized for the Council's proportionate share of a single-employer defined-benefit healthcare plan administered by the County. The postretirement health benefits are funded on a pay-as-you-go basis (i.e. the County funds on a cash basis as benefits are paid).

12. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources in the government-wide financial statements. Net investment in capital assets consist of capital assets, net of accumulated depreciation. The Council does not have any related long-term debt used to acquire capital assets. Net position is reported as restricted in the government-wide financial statement when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. The Council has no assets subject to restriction.

13. Use of Estimates

The preparation of financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from these estimates.

14. Deposits

At September 30, 2021, the bank balance of the Council's operating deposits was \$657,699. Deposits are covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act (the "Act"). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Chief Financial Officer acting as State Treasurer, eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE C - INVESTMENTS

The Council does not have its own investment policy and, therefore, follows Section 218.415, Florida Statutes, regarding the investment of public funds. The Council's excess deposits are invested entirely in the State of Florida State Board Administration ("SBA") Local Government Investment Pool ("LGIP"). Florida PRIME is not registered with the Securities and Exchange Commission as an investment company, but has a policy that it will, and does, operate as a qualifying external investment pool. Thus, this pool operates essentially as a money market fund and the Council's position in Florida PRIME is measured at amortized cost. As of September 30, 2021, the Council had \$105,321 deposited in Florida PRIME.

Florida PRIME is rated by Standard & Poor's with a current rating of AAAM. The dollar weighted average days to maturity ("WAM") of Florida PRIME at September 30, 2021, is 49 days. Next interest rate reset dates for floating rate securities are used in the calculation of the WAM. The weighted average life ("WAL") of Florida PRIME at September 30, 2021, is 64 days. Florida PRIME was not exposed to any foreign currency risk, nor did Florida PRIME participate in a securities lending program during the period October 1, 2020 to September 30, 2021.

Qualifying local government investment pools in the state of Florida must comply with applicable Florida statutory requirements. Chapter 218.409(8)(a), Florida Statutes, states that the principal balance within a LGIP trust fund is subject to withdrawal at any time. However, the Executive Director of the Council may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest in the monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.

With regard to liquidity fees, Chapter 218.409(4) provides authority for a LGIP to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made by the SBA.

At September 30, 2021, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value within Florida PRIME.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE D - PROPERTY TAXES

The Council is funded through the assessment of ad valorem property tax as approved by the Board of County Commissioners, not to exceed one-sixth mil. The Council's ad valorem tax was levied at 0.0150 mil per \$1,000 at October 1, 2020, on property with a gross taxable value of \$91,679,472,678.

Under the law of Florida, the valuation and 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.

All property is reassessed according to its fair market value at January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of state statutes.

All taxes are due and payable on November 1 (levy date) of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 (lien date) following the year in which they are assessed. Discounts are allowed for early payments at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March (due date) are without discount.

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

Because of the County Tax Collector's efficient system for selling tax certificates and remitting the proceeds to Council, any delinquent or uncollected real property taxes at year-end are immaterial. Tangible personal property taxes remaining delinquent at September 30 are recorded as receivable, less an allowance for uncollected amounts. Based on prior experience, the Council has always been able to fully collect on property taxes.

NOTE E - RISK MANAGEMENT

As of September 30, 2021, the Council had not separately established a Risk Management Fund or Pool. As a component unit of the County, insurance coverage is provided entirely through the County's risk management pool for property, general liability, employee liability, and workers' compensation coverage.

NOTE F - TRANSACTIONS WITH PINELLAS COUNTY, FLORIDA

Throughout the fiscal year, the Council incurs various operating expenditures relating to services provided by the County to the Council. Such services include the following: medical, life, and disability insurance coverage, rent, legal services, risk management services, printing and reproduction services, and telecommunications. Also, the Council receives payments from municipalities located within the County for contractual support services.

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE G - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Balance October 1, 2020	Additions	Deletions	Balance September 30, 2021
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Capital assets being depreciated:				
Furniture and office equipment	\$ 33,307	\$ -	\$ -	\$ 33,307
Leasehold improvements	4,358	-	-	4,358
Less accumulated depreciation	<u>(32,810)</u>	<u>(2,219)</u>	<u>-</u>	<u>(35,029)</u>
 Total capital assets being depreciated, net	 <u>\$ 4,855</u>	 <u>\$ (2,219)</u>	 <u>\$ -</u>	 <u>\$ 2,636</u>

NOTE H - OPERATING LEASE

The Council entered into a five-year operating lease agreement beginning July 2012 and extending to December 2030. The Council paid no rent for the first two years of the lease. In January 2016, the Council executed a First Amendment to Lease Agreement, which increased the premises from 3,150 square feet to 9,503 square feet and extended the term to December 2020. In January 2021, the Council executed a Second Amendment to Lease Agreement, which extended the lease term through December 31, 2030. The Council shares the leased space with the MPO.

Monthly lease payments under this amended agreement are \$6,904 and \$7,111 for the calendar years 2020 and 2021, respectively. Approximately 31% of the monthly cost of the rent is allocated to the Council.

The Council's accrued rent payable on a straight-line basis in the government-wide statements is \$9,639 as of September 30, 2021. The lease may be cancelled by the Council with a 90-day written notice. If the lease is cancelled before the accrued rent payable balance is exhausted, the Council shall pay the remaining unamortized balance upon canceling the lease.

NOTE I - COMPENSATED ABSENCES

Hours of annual leave are earned by employees for each year of service to the Council. There is no maximum limitation on the number of annual leave hours which may be accrued. Upon separation from service, employees shall receive a lump-sum payment for all unused annual leave up to a maximum of three times the employee's annual accrual rate for annual leave.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE I - COMPENSATED ABSENCES – CONTINUED

Such payment shall be made at the employee’s regular rate of pay at the time of separation. The change in compensated absences liability is summarized as follows:

	Balance October 1, 2020	Additions	Used	Balance September 30, 2021	Amount Due in One Year
Compensated absences	\$ 182,823	\$ 137,357	\$ (89,753)	\$ 230,427	\$ 193,559

NOTE J - PENSION PLANS

Background

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

Essentially all regular employees of the Council are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services’ website:

https://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports

The Council’s pension benefit totaled \$82,691 for both the FRS Pension Plan and HIS Program for the year ended September 30, 2021.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Florida Retirement System Pension Plan

The Florida Retirement System Pension Plan (the "FRS Plan") is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees. The general classes of membership are as follows:

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

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Benefits Provided

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

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

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

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

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The employer contribution rates by job class for the periods from October 1, 2020 through June 30, 2021, and from July 1, 2021 through September 30, 2021, respectively, were applied to employee salaries as follows: Regular – 10.00% and 10.82%; Senior Management Service – 27.49% and 29.01%; and DROP participants – 16.98% and 18.34%. The Council's contributions to the FRS Plan were \$164,585 for the year ended September 30, 2021.

Pension Costs

At September 30, 2021, the Council reported a liability of \$326,350 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Council's proportion of the net pension liability was based on the Council's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2021, the Council's proportion was 0.00432%, which was a decrease of 0.00012% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the Council recognized pension expense of \$44,829 for its proportionate share of FRS's pension expense. In addition, the Council reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

PINELLAS PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 55,937	\$ -
Changes in actuarial assumptions	223,305	-
Net difference between projected and actual earnings on Pension plan investments	-	1,138,553
Changes in proportion and differences between council contributions and proportionate share of contributions	75,651	80,320
Council contributions subsequent to the measurement date	39,937	-
	<u>\$ 394,830</u>	<u>\$ 1,218,873</u>

Deferred outflows of resources related to pensions resulting from Council contributions to the FRS Plan subsequent to the measurement date of \$39,937 will be recognized as a reduction of the net pension liability in the plan year ended June 30, 2022.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Years Ending September 30,	Amount
2022	\$ (136,164)
2023	(188,393)
2024	(245,510)
2025	(300,564)
2026	6,651
Thereafter	-
	<u>\$ (863,980)</u>

Actuarial Assumptions

The total pension liability in the July 1, 2021 funding valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Payroll Growth	3.25%, average, including inflation
Investment Rate of Return	6.80%, net of pension plan investment expense, including inflation

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Mortality rates were based on the PUB-2010 base, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2013 through June 30, 2018.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash equivalents	1.0%	2.1%	2.1%	1.1%
Fixed income	20.0%	3.8%	3.7%	3.3%
Global equity	54.2%	8.2%	6.7%	17.8%
Real estate (property)	10.3%	7.1%	6.2%	13.8%
Private equity	10.8%	11.7%	8.5%	26.4%
Strategic investments	3.7%	5.7%	5.4%	8.4%
	100.0%			
Assumed inflation			2.4%	1.2%

Discount Rate

The discount rate used to measure the total pension liability was 6.80% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of 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 of projected benefit payments to determine the total pension liability.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Pension Liability Sensitivity

The following presents the Council's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Council's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

FRS Net Pension Liability		
Current Discount Rate		
1% Decrease 5.80%	Rate 6.80%	1% Increase 7.80%
\$ 1,459,458	\$ 326,350	\$ (620,802)

Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

Payables to Pension Plan

At September 30, 2021, the Council reported no payables for outstanding contributions to the FRS Plan.

Retiree Health Insurance Subsidy Program

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

Benefits Provided

For the plan year ended June 30, 2021, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the plan year ended June 30, 2021, the contribution rate was 1.66% of payroll pursuant to Section 112.363, Florida Statutes. The Council contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The Council's contribution to the HIS Plan was \$22,131 for the year ended September 30, 2021.

Pension Costs

At September 30, 2021, the Council reported a liability of \$461,833 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. The Council's proportion of the net pension liability was based on the Council's contributions received during the measurement period for employer payroll paid dates from July 1, 2020 through June 30, 2021, relative to the total employer contributions received from all participating employers. At June 30, 2021, the Council's proportion was 0.00376%, which was a decrease of 0.00007% from its proportion measured as of June 30, 2020.

For the year ended September 30, 2021, the Council recognized pension expense of \$61,569 for its proportionate share of HIS pension expense. In addition, the Council reported its proportionate share of HIS deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual economic experience	\$ 15,454	\$ 193
Changes in actuarial assumptions	36,290	19,029
Net difference between projected and actual earnings on HIS Program investments	481	-
Changes in proportion and differences between council contributions and proportionate share of contributions	38,795	45,794
Council contributions subsequent to the measurement date	5,141	-
	\$ 96,161	\$ 65,016

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Deferred outflows of resources related to pensions resulting from Council contributions to the FRS Plan subsequent to the measurement date of \$5,141 will be recognized as a reduction of the net pension liability in the plan year ending June 30, 2022. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

Years Ending September 30,	Amount
2022	\$ 25,615
2023	(3,066)
2024	(3,693)
2025	2,302
2026	3,736
Thereafter	1,110
	\$ 26,004

Actuarial Assumptions

The total pension liability as of July 1, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Payroll Growth	3.25%, average, including inflation
Municipal Bond Rate	2.16%

Mortality rates were based on the PUB-2010 base, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study completed in 2019 for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 2.16% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

Pension Liability Sensitivity

The following presents the Council's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the Council's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

HIS Net Pension Liability		
Current Discount Rate		
1% Decrease 1.16%	Rate 2.16%	1% Increase 3.16%
\$ 533,924	\$ 461,833	\$ 402,771

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

Payables to Pension Plan – At September 30, 2021, the Council reported no payables for outstanding contributions to the HIS Plan.

The aggregate amounts of net pension liability, deferred inflows of resources related to pensions, deferred outflows of resources related to pensions, and pension expense for the Council as of September 30, 2021 are as follows:

	FRS	HIS	Total
Deferred outflows of resources related to pensions	\$ 394,830	\$ 96,161	\$ 490,991
Net pension liability	326,350	461,833	788,183
Deferred inflows of resources related to pensions	1,218,873	65,016	1,283,889
Pension expense	44,829	61,569	106,398

Investment Plan

The SBA administers the defined contribution plan, officially titled the FRS Investment Plan ("Investment Plan"). The Investment Plan is reported in the SBA's annual financial statements and in the state of Florida Annual Comprehensive Financial Report.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE J - PENSION PLANS - Continued

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Council employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2020-2021 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class – 6.30% and Senior Management Service class – 7.67%. These allocations include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance.

For the plan year ended June 30, 2021, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Council.

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

The Council's Investment Plan pension expense totaled approximately \$37,887 for the year ended September 30, 2021.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE K - FUND BALANCE REPORTING

There are two major types of fund balances, which are non-spendable and spendable. Non-spendable fund balances are balances that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. At September 30, 2021, the Council had \$10,217 in non-spendable fund balance. In addition to the non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

- A. Restricted – Amounts that can be spent only for the specific purposes stipulated by: (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other Councils or (b) imposed by law through constitutional provisions or enabling legislation.
- B. Committed – Amounts that can be used only for the specific purposes determined by a formal action of the Council’s highest level of decision-making authority.
- C. Assigned – Amounts intended to be used by the Council for specific purposes. Assigned fund balance represents the amount that is not restricted or committed. The intent shall be expressed by the Council. At September 30, 2021, the Council had \$354,920 of assigned fund balance, which represents the amount needed to eliminate the projected deficit in the subsequent year’s budget in an amount no greater than the projected excess of expected expenditures and budgeted contingency reserve over expected revenues.
- D. Unassigned – This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes. At September 30, 2021, unassigned fund balance is \$817,929. It is the goal of the Council to achieve and maintain an unassigned fund balance equal to or greater than 10% of expenditures to cover unexpected expenditures and revenue shortfalls from year to year.

The Council’s policy is to apply expenditures against restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance, in that order, under circumstances where a particular expenditure can be made from more than one fund classification.

NOTE L - DUE FROM PINELLAS COUNTY METROPOLITAN PLANNING ORGANIZATION

The Council and the MPO have historically operated as two distinct entities. On December 10, 2014, the Council and the MPO entered into the Interlocal Agreements for Staff and Support Services (“Agreement”). Prior to the Agreement, the MPO utilized the employees of the Pinellas County Board of County Commissioner’s Planning Department. Upon execution of the Agreement, those employees and related payroll processing of the MPO were assumed by the Council. The Agreement identifies payroll and other expenses that are to be shared between the Council and the MPO.

PINELLAS PLANNING COUNCIL

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE L - DUE FROM PINELLAS COUNTY METROPOLITAN PLANNING ORGANIZATION
- Continued

For the year ended September 30, 2021, the amount of reimbursement received from the MPO for shared services totaled \$1,123,018. As of September 30, 2021, the amount due from the MPO relating to charges for shared services was \$521,721.

NOTE M - OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The County administers a single-employer defined-benefit health care plan (the "Plan") that covers eligible retirees and their dependents. Among others, the Plan includes the Council. The annual budgeted amount for the Plan is approved through appropriations by the Board of County Commissioners. The Plan does not issue stand-alone financial reports and trust to the OPEB obligation has not been established. The cost of benefits provided by the Plan is currently on a pay-as-you-go basis.

Benefits Provided

The Plan provides postretirement health care benefits to all employees who retire on or after attaining at least 10 years of service. The County pays a percentage of the premium for medical and dental insurance for the former employees who retired prior to October 1, 2004. For non-Medicare eligible retirees, employees enrolled in DROP and those within 5 years of normal FRS retirement prior to October 1, 2004, the County will continue funding at the same level as active employees. For employees not part of the previously mentioned groups who were hired prior to January 1, 2011 and who retire on or after October 1, 2004, a health insurance subsidy based on length of service will be provided. The subsidy will range from 25 percent of the premium for 10 years of service, increasing by 3.33 percent per year of service to 75 percent for 25 years or more, calculated on the single premium of the lowest cost plan.

Contributions

The contribution requirements of the plan members and the employers are established and may be amended by the County for the Plan. Contributions to the Plan in excess of benefits paid on behalf of retirees are earmarked for future OPEB expense. However, they do not reduce the total OPEB liability.

Employees covered by benefit terms

Participation in the Plan consisted of the following at September 30, 2019, the measurement date:

Retirees and beneficiaries	1,976
Active member	2,853
	<u>4,829</u>

The total OPEB liability at September 30, 2021 for the Council was \$1,789,965.

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE M - OTHER POSTEMPLOYMENT BENEFITS – Continued

Actuarial Method and Assumptions

The total OPEB liability was actuarially determined based on an actuary valuation using the assumptions listed below. The total OPEB liability is based on an actuarial valuation performed as of September 30, 2019. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of the assets, consistent with the long-term perspective of calculation and assumptions about the future.

The significant actuarial assumptions used to determine total OPEB liability include the following:

Valuation date	September 30, 2019
Measurement date	September 30, 2020
Fiscal year ending (reporting date)	September 30, 2021
Actuarial cost method	Entry Age Normal
Amortization method	6.3 years
Discount rate	2.41%, based on a 20-Year Municipal GO AA Index
Inflation rate	2.25%
Salary increases rate	Salary increase rates used in the July 1, 2020 actuarial valuation of FRS; 3.4% - 8.2%, including inflation
Retirement age	Based on results of an actual experience study covering the period 2013 through 2018
Healthcare cost trend rates	Based on the Getzen Model, with trend starting at 6.50% on January 1, 2020 (0% for premiums) followed by 6.25% on January 1, 2021 and gradually decreasing to an ultimate trend rate of 3.99% plus 0.61% increase for excise tax
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE M - OTHER POSTEMPLOYMENT BENEFITS – Continued

Mortality tables	These rates were taken from adjusted Pub-2010 mortality tables published by the Society of Actuaries with generational mortality improvements using Scale MP-2018. Adjustments to referenced tables are based on the results of a statewide experience study covering the period 2013 through 2018
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Expenses	Administrative expenses are included in the per capita health costs.
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Changes in Total OPEB Liability

Changes in the Council’s total OPEB liability for the year ended September 30, 2021 are as follows:

Balance at September 30, 2020	\$	1,695,367
Changes for the year:		
Service Cost		36,521
Interest		47,240
Difference between expected and actual experience of the Total OPEB Liability		-
Changes in assumptions and other inputs		79,351
Changes in Cost-sharing Allocation Percentage		-
Benefit Payments		<u>(68,514)</u>
Balance at September 30, 2021	\$	<u>1,789,965</u>

Benefit Payments

Benefit payments consist of claims paid to retirees participating in the Plan. The total benefit payments for the Council were \$68,514 for the year ended September 30, 2021.

Discount Rate

For plans that do not have formal assets, as with the Plan, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For this valuation, the municipal bond rate used was 2.75% based on a 20-Year Municipal GO AA index, closest to but not later than the measurement date. The discount rate was 3.83% at the beginning of the measurement period. The change in discount rate is reflected in the schedule of total OPEB liability which decreased the total OPEB liability.

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE M - OTHER POSTEMPLOYMENT BENEFITS – Continued

Sensitivity of Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the Council, as well as what the Council's total OPEB 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 discount rate:

Net OPEB Liability		
1% Decrease	Current Discount Rate	1% Increase
1.41%	2.41%	3.41%
\$ 2,054,499	\$ 1,789,965	\$ 1,569,064

Sensitivity of Total OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the total OPEB liability of the Council, as well as what the Council's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rate:

Net OPEB Liability		
1% Decrease	Healthcare Cost Trend Rate	1% Increase
5.5% decreasing to 2.99%	6.5% decreasing to 3.99%	7.5% decreasing to 4.99%
\$ 1,514,255	\$ 1,789,965	\$ 2,138,707

OPEB Expense

For the year ended September 30, 2021, the Council recognized OPEB expense of \$83,761, which was reduced by \$147,390 of deferred inflows of resources that were recognized in OPEB expense during the year resulting in a net OPEB benefit of \$63,629.

PINELLAS PLANNING COUNCIL
 NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE M - OTHER POSTEMPLOYMENT BENEFITS – Continued

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

At September 30, 2021 the Council reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ -	\$ 25,682
Changes in actuarial assumptions	68,481	348,224
Change in total OPEB Liability due to change in cost-sharing allocation percentage	-	256,263
Benefits paid after the measurement date	<u>63,461</u>	<u>-</u>
	<u>\$ 131,942</u>	<u>\$ 630,169</u>

The deferred outflows of resources related to OPEB, totaling \$63,461 resulting from the Council’s contributions to the Plan subsequent to the measurement date, will be recognized as a reduction in the total OPEB liability in the fiscal year ended September 30, 2022.

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

<u>Years Ending September 30.</u>	<u>Amount</u>
2022	\$ (147,390)
2023	(147,390)
2024	(138,420)
2025	(117,976)
2026	(24,643)
Thereafter	<u>14,131</u>
	<u>\$ (561,688)</u>

PINELLAS PLANNING COUNCIL
NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

September 30, 2021

NOTE N - RISK MANAGEMENT

During the ordinary course of its operations, the Council is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council maintains commercial insurance coverage in amounts management feels is adequate to protect and safeguard the assets of the Council. There have been no significant reductions in coverage nor have settlement amounts exceeded the Council's coverage during the year ended September 30, 2021 or the previous two fiscal years.

SUPPLEMENTARY INFORMATION

PINELLAS PLANNING COUNCIL

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

Year ended September 30, 2021

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance - Favorable (Unfavorable)
Revenues:				
Pinellas County property taxes	\$ 1,306,430	\$ 1,306,430	\$ 1,336,028	\$ 29,598
Net investment activity	2,000	2,000	2,551	551
Contract services	10,000	10,000	2,100	(7,900)
Charges for services	1,587,000	1,587,000	1,123,018	(463,982)
Total revenues	2,905,430	2,905,430	2,463,697	(441,733)
Expenditures:				
Payroll, taxes, and benefits	1,425,980	2,280,000	1,999,005	280,995
Contractual support services	130,000	172,630	26,234	146,396
Office rent	80,000	80,000	84,712	(4,712)
Equipment and furnishings	10,000	10,000	15,197	(5,197)
Telephone	4,000	4,000	3,456	544
Mail	3,000	3,000	2,540	460
Advertising notice	20,000	30,000	18,906	11,094
Printing and reproduction	5,200	5,200	7,774	(2,574)
Office supplies and materials	14,000	25,000	2,701	22,299
Property appraiser & tax collector commissions	37,000	37,000	37,074	(74)
Intergovernmental services	375,310	375,310	319,750	55,560
Risk management	9,080	9,080	8,572	508
Travel	5,000	10,000	954	9,046
Communications, advocacy, and education	20,000	20,000	11,660	8,340
Audit	25,550	25,550	16,488	9,062
Council activities	150,000	150,000	1,121	148,879
Contingency	-	52,930	5,634	47,296
Total Expenditures	2,314,120	3,289,700	2,561,778	727,922
Excess (deficit) of revenues over expenditures	591,310	(384,270)	(98,081)	(286,189)
Fund balance, beginning of year	1,281,147	1,281,147	1,281,147	-
Fund balance, end of year	<u>\$ 1,872,457</u>	<u>\$ 896,877</u>	<u>\$ 1,183,066</u>	<u>\$ (286,189)</u>

See accompanying note to schedule of revenues, expenditures, and changes in fund balance – budget to actual – general fund.

PINELLAS PLANNING COUNCIL

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

Year ended September 30, 2021

NOTE 1 - BUDGET COMPLIANCE

On or before July 1 of each year, the Council's Executive Director prepares a budget, which includes requested appropriations for the next fiscal year.

The proposed budget is presented to the Council members on or before July 31 for review. The Council approves the budget at a public meeting and transmits it to the Board of County Commissioners for approval and certification of the millage rate at a public hearing, as provided by law.

Expenditures may not legally exceed budgeted appropriations at the fund level. Any revision that alters the total expenditures must be approved by a majority of the Council members. In instances where budget appropriations and estimated revenues have been revised during the year, the budget data presented in the financial statements represents the authorized amounts. Unexpended appropriations lapse at year-end. All deliberations on the budget by the Council shall be done at meetings open to the public.

PINELLAS PLANNING COUNCIL
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

Last seven years

Florida Retirement System (FRS) Defined Benefit Pension Plan

Council Year Ended September 30,	Plan Sponsor Measurement Date June 30,	Council's Proportion of the FRS Net Pension Liability	Council's Proportionate Share of the FRS Net Pension Liability	Council's Covered Employee Payroll	Council's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2021	2021	0.004320304%	\$ 326,350	\$ 1,332,890	24.48%	96.40%
2020	2020	0.004195384%	\$ 1,818,341	\$ 1,282,346	141.80%	78.85%
2019	2019	0.004317765%	\$ 1,486,979	\$ 1,259,754	118.04%	86.87%
2018	2018	0.004563462%	\$ 1,374,539	\$ 1,349,863	101.83%	84.26%
2017	2017	0.005063180%	\$ 1,497,655	\$ 1,339,496	111.81%	83.89%
2016	2016	0.004218434%	\$ 1,065,158	\$ 1,336,283	79.71%	84.88%
2015	2015	0.002535182%	\$ 327,453	\$ 625,764	52.33%	92.00%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Council Year Ended September 30,	Plan Sponsor Measurement Date June 30,	Council's Proportion of the HIS Net Pension Liability	Council's Proportionate Share of the HIS Net Pension Liability	Council's Covered Employee Payroll	Council's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2021	2021	0.003764995%	\$ 461,833	\$ 1,332,890	34.65%	3.56%
2020	2020	0.003694747%	\$ 451,123	\$ 1,282,346	35.18%	3.00%
2019	2019	0.003882881%	\$ 434,455	\$ 1,259,754	34.49%	2.63%
2018	2018	0.004099397%	\$ 433,885	\$ 1,349,863	32.14%	2.15%
2017	2017	0.004432593%	\$ 473,953	\$ 1,339,496	35.38%	1.64%
2016	2016	0.004538227%	\$ 528,912	\$ 1,336,283	39.58%	0.97%
2015	2015	0.002674486%	\$ 272,756	\$ 625,764	43.59%	0.50%

Notes:

- 1) The amounts presented for each fiscal year were determined as of the Plan fiscal year measurement date of June 30th
- 2) Information is required to be presented for 10 years. However, until a full 10-year trend is completed, the Council will present information for those years for which information is available.

PINELLAS PLANNING COUNCIL
SCHEDULE OF CONTRIBUTIONS

Last seven years

Florida Retirement System (FRS) Defined Benefit Pension Plan

Council Year Ended September 30,	FRS				
	FRS Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Council's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2021	\$ 164,585	\$ 164,585	\$ -	\$ 1,338,089	12.30%
2020	\$ 139,394	\$ 139,394	\$ -	\$ 1,298,659	10.73%
2019	\$ 134,893	\$ 134,893	\$ -	\$ 1,304,512	10.34%
2018	\$ 130,981	\$ 130,981	\$ -	\$ 1,347,127	9.72%
2017	\$ 120,158	\$ 120,158	\$ -	\$ 1,354,686	8.87%
2016	\$ 117,780	\$ 117,780	\$ -	\$ 1,376,604	8.56%
2015	\$ 78,447	\$ 78,447	\$ -	\$ 859,715	9.12%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Council Year Ended September 30,	HIS				
	HIS Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Council's Covered Employee Payroll	HIS Contributions as a Percentage of Covered Payroll
2021	\$ 22,131	\$ 22,131	\$ -	\$ 1,338,089	1.65%
2020	\$ 21,291	\$ 21,291	\$ -	\$ 1,298,659	1.64%
2019	\$ 21,394	\$ 21,394	\$ -	\$ 1,304,512	1.64%
2018	\$ 22,098	\$ 22,098	\$ -	\$ 1,347,127	1.64%
2017	\$ 22,006	\$ 22,006	\$ -	\$ 1,354,686	1.62%
2016	\$ 23,780	\$ 23,780	\$ -	\$ 1,376,604	1.73%
2015	\$ 14,857	\$ 14,857	\$ -	\$ 859,715	1.73%

Notes:

- 1) The amounts presented for each fiscal year were determined as of the Plan fiscal year measurement date of June 30th.
- 2) Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the Council will present information for only those years for which information is available.

PINELLAS PLANNING COUNCIL

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS – SCHEDULE OF CHANGES IN
TOTAL LIABILITY AND RELATED RATIOS

Total OPEB Liability	Last four years			
	2021	2020	2019	2018
Service cost	\$ 36,521	\$ 35,225	\$ 58,139	\$ 62,134
Interest	47,240	77,928	86,391	79,635
Changes in assumptions and other inputs	79,351	(745,685)	(115,340)	(147,984)
Benefit payments	(68,514)	(65,923)	(91,111)	(89,538)
Net change in total OPEB liability	94,598	(698,455)	(61,921)	(95,753)
Net OPEB liability, beginning of fiscal year	1,695,367	2,393,822	2,455,743	2,551,496
Net OPEB liability, end of fiscal year	<u>\$ 1,789,965</u>	<u>\$ 1,695,367</u>	<u>\$ 2,393,822</u>	<u>\$ 2,455,743</u>
Covered payroll	\$ 1,310,533	\$ 1,164,405	\$ 1,278,056	\$ 1,278,056
Net OPEB liability as a percentage of covered payroll	136.58%	145.60%	187.30%	192.15%

Notes:

- 1) The data for this table was not available prior to fiscal year 2018.
- 2) The OPEB Plan's funding policy is "pay-as-you-go" and does not accumulate assets within a trust to pay related benefits
- 3) Amounts presented reflect an increase in the discount rate from 3.83% as of the beginning of the measurement period to 2.41% for the year ended September 30, 2021.

OTHER INFORMATION

PINELLAS PLANNING COUNCIL

DATA ELEMENTS REQUIRED BY SECTION 218.32(1)(e), FLORIDA STATUTES (UNAUDITED)

September 30, 2021

<u>Data Element</u>	<u>Reference</u>	<u>Comment</u>
The total number of employees compensated in the last pay period of the fiscal year being reported:	Section 218.32(1)(e)(2)(a)	17
The total number of independent contractors to whom nonemployee compensation was paid in the last month of the fiscal year being reported:	Section 218.32(1)(e)(2)(b)	None
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency:	Section 218.32(1)(e)(2)(c)	\$ 1,357,918
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency:	Section 218.32(1)(e)(2)(d)	None
Each construction project with a total cost of at least \$65,000 approved that is scheduled to being on or after October 1 of the fiscal year being reported, together with total expenditures for such projects.	Section 218.32(1)(e)(2)(e)	None
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Council amended a final adopted budget under Section 189.016(6), Florida Statutes:	Section 218.32(1)(e)(3)	See page 44
Mileage rate or rates imposed by the Council:	Section 218.39(3)(c)	.0150 mil
Total amount of ad valorem taxes collected by or on behalf of the Council:	Section 218.39(3)(c)	\$ 1,336,028
Total amount of outstanding bonds issued by the Council and the terms of such bonds:	Section 218.39(3)(c)	None

OTHER REPORTS

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

PINELLAS PLANNING COUNCIL

September 30, 2021



Herman V. Lazzara
Sam A. Lazzara
Kevin R. Bass
Jonathan E. Stein
Stephen G. Douglas
Marc D. Sasser, of Counsel
Cesar J. Rivero, in Memoriam (1942-2017)

Michael E. Helton
Christopher F. Terrigino
James K. O'Connor
David M. Bohnsack
Julie A. Davis

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

To the Members
Pinellas Planning Council
A Component Unit of Pinellas County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and general fund of Pinellas Planning Council (the "Council"), a component unit of Pinellas County, Florida, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements, and have issued our report thereon dated March 7, 2022.

Internal Control over Financial Reporting

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

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

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



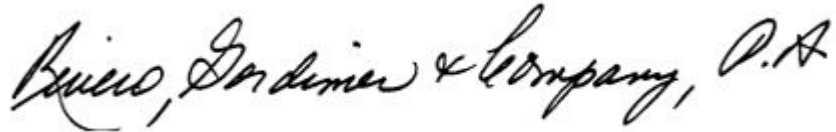
Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Council'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 Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Tampa, Florida
March 7, 2022

A handwritten signature in black ink that reads "Bruce, Gardner & Company, P.A." The signature is written in a cursive, flowing style.

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH
THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES

PINELLAS PLANNING COUNCIL

September 30, 2021



RIVERO, GORDIMER & COMPANY, P.A.

Member
American Institute of Certified Public Accountants
Florida Institute of Certified Public Accountants

Herman V. Lazzara	Michael E. Helton
Sam A. Lazzara	Christopher F. Terrigino
Kevin R. Bass	James K. O'Connor
Jonathan E. Stein	David M. Bohnsack
Stephen G. Douglas	Julie A. Davis
Marc D. Sasser, of Counsel	
Cesar J. Rivero, in Memoriam (1942-2017)	

INDEPENDENT ACCOUNTANTS' REPORT ON
COMPLIANCE WITH THE REQUIREMENTS
OF SECTION 218.415, FLORIDA STATUTES

To the Members
Pinellas Planning Council
A Component Unit of Pinellas County, Florida

Report on Compliance

We have examined the Pinellas Planning Council's (the "Council"), a component unit of Pinellas County, Florida, compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021. Management of the Council is responsible for the Council's compliance with those requirements. Our responsibility is to express an opinion on the Council's compliance with the specified requirements based on our examination.

Scope

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Council complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Council complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Council's compliance with the specified requirements.

Opinion

In our opinion, the Council complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2021.

Tampa, Florida
March 7, 2022



MANAGEMENT LETTER BASED ON RULE 10.554
OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

PINELLAS PLANNING COUNCIL

September 30, 2021



**MANAGEMENT LETTER BASED ON RULE 10.554 OF THE
AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Members
Pinellas Planning Council
A Component Unit of Pinellas County, Florida

Report on the Financial Statements

We have audited the financial statements of the Pinellas Planning Council (the "Council"), a component unit of Pinellas County, Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated March 7, 2022.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants Report on Compliance with the Requirements of Section 218.415, Florida Statutes on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 7, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

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



Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

The Council has included certain information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General in Other Information included on page 50.

Additional Matters

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

Purpose of this Letter

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

Beuco, Gordonier & Company, P.A.

Tampa, Florida
March 7, 2022