



**YOU** *Sun* **SHINE**  
ARE MY CITY

# **CITY OF ST. PETERSBURG, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**Fiscal Year 2017**

**October 1, 2016 • September 30, 2017**



**st.petersburg**  
**[www.stpete.org](http://www.stpete.org)**

COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

of the

CITY OF ST. PETERSBURG, FLORIDA

for the  
Fiscal Year Ended  
September 30, 2017

Prepared by Department of Finance



## TABLE OF CONTENTS

### **I. INTRODUCTORY SECTION (UNAUDITED)**

List of Principal Officials	9
Letter of Transmittal	10
GFOA Certificate of Achievement for Excellence in Financial Reporting	17
Organizational Chart	19

### **II. FINANCIAL SECTION**

Report of Independent Auditor	23
Management's Discussion and Analysis (Unaudited)	27

### **BASIC FINANCIAL STATEMENTS:**

Government-wide Financial Statements:	
Statement of Net Position	50
Statement of Activities	51
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	52
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	55
Statement of Revenues, Expenditures, and Changes in Fund Balances	56
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of the Governmental Activities to the Statement of Activities	58
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund	59
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Major Special Revenue Funds	60
Proprietary Funds:	
Statement of Net Position	64
Statement of Revenues, Expenses, and Changes in Net Position	68
Statement of Cash Flows	70
Fiduciary Funds:	
Statement of Fiduciary Net Position	72
Statement of Changes in Fiduciary Net Position	73
Notes to the Financial Statements	75

### **REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)**

Defined Benefit Pension Plans	166
Defined Benefit Other Post Employment Benefits (OPEB) Plan	174

**COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:**

Non-Major Governmental Funds Descriptions	177
Non-Major Governmental Funds:	
Combining Balance Sheet	180
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	181
Special Revenue Funds:	
Combining Balance Sheet	182
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	186
Debt Service Funds:	
Combining Balance Sheet	190
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	192
Capital Projects Funds:	
Combining Balance Sheet	194
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	196
Permanent Funds:	
Combining Balance Sheet	198
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	199
Schedules of Revenues, Expenditures, and Changes in Fund Balances	
Budget and Actual:	
Special Revenue Funds	201
Debt Service Funds	212
Enterprise Funds:	
Non-Major Enterprise Funds Descriptions	219
Combining Statement of Net Position	220
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	222
Combining Statement of Cash Flows	224
Internal Service Funds:	
Internal Service Funds Descriptions	227
Combining Statement of Net Position	228
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position	230
Combining Statement of Cash Flows	232
Fiduciary Funds:	
Fiduciary Funds Description	235
Combining Statement of Fiduciary Net Position - Agency Funds	236
Combining Statement of Changes in Assets and Liabilities - Agency Funds	237

**III. STATISTICAL SECTION (UNAUDITED)****FINANCIAL TRENDS:**

Net Position by Component	243
Changes in Net Position	244
Fund Balances, Governmental Funds	246
Changes in Fund Balances, Governmental Funds	247

REVENUE CAPACITY:	
Taxable Assessed Value and Estimated Actual Value of Property	250
Direct and Overlapping Property Tax Rates	251
Principal Property Tax Payers	252
Property Tax Levies and Collections	253
DEBT CAPACITY:	
Ratio of Outstanding Debt by Type	256
Ratio of Net General Bonded Debt Outstanding	257
Direct and Overlapping Governmental Activities Debt	258
Legal Debt Margin Information	259
Pledged-Revenue Coverage	260
DEMOGRAPHIC AND ECONOMIC:	
Demographic and Economic Statistics	264
Principal Employers	265
OPERATING:	
Full and Part Time City Government Employees by Function/Program	268
Operating Indicators by Function/Program	270
Capital Assets Statistics by Function/Program	273

#### IV. REGULATORY SECTION

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 <i>Government Auditing Standards</i>	276
Report of Independent Auditor on Compliance for Each Major Program and on Internal Control Over Compliance required by the Uniform Grants Guidance and Chapter 10.550, <i>Rules of the Auditor General</i> of the State of Florida	278
Schedule of Expenditures of Federal Awards and State Financial Assistance	280
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance	285
Schedule of Expenditures of Other Governmental Agencies Awards	286
Notes to the Schedule of Expenditures of Other Governmental Agencies Awards	287
Schedule of Findings and Questioned Costs	288
Summary Schedule of Prior Audit Findings	290
Independent Auditor's Management Letter	291
Report of Independent Accountant on Compliance with Local Government Investment Policies	293
Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill	294





# **I. INTRODUCTORY SECTION**

- List of Principal Officials
- Letter of Transmittal
- Certificate of Achievement
- Organizational Chart



**CITY OF ST. PETERSBURG, FLORIDA**  
**MAYOR-COUNCIL FORM OF GOVERNMENT**  
**Fiscal Year 2017**

**MAYOR**

**Rick Kriseman**

**COUNCIL MEMBERS**

Council member, District 1  
Council member, District 2  
Council member, District 3  
Council member, District 4  
Council member, District 5  
Council member, District 6  
Council member, District 7  
Council member, District 8

Charlie Gerdes  
James R. Kennedy, Jr.  
Ed Montanari  
Darden Rice, Chair  
Steve Kornell  
Karl Nurse  
Lisa Wheeler-Bowman, Vice Chair  
Amy Foster

**OFFICIAL APPOINTED BY CITY COUNCIL**

**CITY ATTORNEY**

**Jacqueline Kovilaritch, Esq.**

**OFFICIALS APPOINTED BY MAYOR - APPROVED BY CITY  
COUNCIL**

**CITY ADMINISTRATOR**

**Gary Cornwell**

**FINANCE DEPARTMENT STAFF  
APPOINTED BY MAYOR**

**CHIEF FINANCIAL OFFICER**

**Anne A. Fritz**

**TREASURER**

**Thomas J. Hoffman**

**CONTROLLER**

**Erika R. Langhans**



City of St. Petersburg  
Finance Department  
PO Box 2842  
St. Petersburg, FL 33731-2842  
Phone: 727-893-7304

February 21, 2018

Honorable Mayor, Members of the City Council  
Citizens of the City of St. Petersburg, Florida

Dear Mayor, Council and Citizens:

***Formal Transmittal of the Comprehensive Annual Financial Report***

It is our pleasure to submit this Comprehensive Annual Financial Report (CAFR) for the City of St. Petersburg, Florida (the "City") for the fiscal year ended September 30, 2017. The report fulfills the requirements set forth in the City Charter Section 4.05; Florida Statutes, Chapter 166.241; and the Rules of the Florida Auditor General, Chapter 10.550. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the State of Florida, the City Charter, and the Government Finance Officers Association.

This CAFR consists of management's representations concerning the finances of the City of St. Petersburg. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Florida Statutes and the City Charter require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by Cherry Bekaert LLP. The goal of the independent audit was to provide an opinion on the financial statements of the City for the fiscal year ended September 30, 2017. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that the City's financial statements for the fiscal year ended September 30, 2017, are fairly presented, in all material respects, in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federal and state mandated "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance requirements that could have a direct and material effect on each major federal and state award.

## **Profile of the Government**

The City of St. Petersburg, initially incorporated as a town in 1893 with a second incorporation as a city in 1903, is the largest city in Pinellas County and is the fifth most populous city in Florida. It is located on the west coast of Florida, approximately 200 miles northwest of Miami, 180 miles southwest of Jacksonville, and 20 miles southwest of Tampa. The City of St. Petersburg currently occupies approximately 62 square miles and serves a population of 253,585. The City of St. Petersburg is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City of St. Petersburg has operated under a mayor-council form of government since 1993. Legislative authority is vested in an elected City Council consisting of eight members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and approving the hiring of certain department head nominees submitted by the Mayor. The Mayor is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, for drafting the budget and submitting it to City Council for approval.

The City of St. Petersburg provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and bridges, golf courses, recreation and park facilities, libraries, performing arts, water, wastewater, reclaimed water, stormwater, recycling, solid waste, construction permitting and inspection, codes compliance and parking operations. The City is also required to discretely present in this report the St. Petersburg Health Facilities Authority whose operations consist of issuing tax exempt debt for non-profit healthcare organizations.

## **Economic Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of St. Petersburg resides.

### **Local Economy**

St. Petersburg is part of a seven-county media market, the largest in Florida and 11<sup>th</sup> in the nation. Our region leads the state in buying power, retail sales, food sales, bank deposits, and has the largest consumer market. St. Petersburg is the anchor of Florida's High Tech Corridor, a partnership of three research universities, more than 20 local and regional economic development organizations, 14 community and state colleges and 12 regional workforce boards.

The City of St. Petersburg's commercial economy remains diverse and resilient. Though the City is inviting to all businesses, five major industry clusters have flourished in St. Petersburg – specialized manufacturing, marine and life sciences, data analytics, financial services, and creative arts and design. St. Petersburg maintains the largest financial services cluster in the state of Florida and the largest marine science cluster in the Southeast.

While the City has seen a current increase of 8.9% in taxable value, the City's real property taxable value has decreased by 10.4% since fiscal year 2008 as a result of the national decline in property values that have dramatically affected municipalities, especially in Florida. The City of St. Petersburg has been able to continue to benefit from continued commercial growth in a difficult economic environment between 2008 and 2017. During 2017, the taxable value of all property categories increased while the multi-family and condominiums category experienced the largest increase in taxable value of 10.7% due to the continued increase of dwelling units either recently opened (and more currently under construction) in the downtown area. During 2017, the City had issued more building permits than it has in each of the last ten years with a total construction value of \$671 million.

As you can see below, the City has experienced recent growth in real property taxable values in fiscal years 2013 to 2017 after five years of declining taxable values, as measured by the Pinellas County Property Appraiser's annual determination of real property taxable assessed value and land use by taxable authority.

<b>St. Petersburg Taxable Value</b>						
<b>Fiscal Year</b>	<b>Millage Rate</b>	<b>Single Family &amp; Mobile Homes</b>	<b>Multi-Family &amp; Condominiums</b>	<b>Commercial</b>	<b>Other</b>	<b>Total Taxable Value</b>
2008	5.9125	8,388	4,322	3,582	252	16,544
2009	5.9125	7,335	4,164	3,706	253	15,458
2010	5.9125	6,413	3,390	3,377	232	13,412
2011	5.9125	6,176	2,819	2,749	202	11,946
2012	5.9125	5,400	2,816	2,737	201	11,154
2013	6.7742	5,639	2,914	2,718	215	11,486
2014	6.7700	5,554	3,036	2,736	203	11,529
2015	6.7700	5,970	3,342	2,879	291	12,482
2016	6.7700	6,478	3,816	3,033	285	13,612
2017	6.7550	7,063	4,224	3,254	287	14,828

*The amounts above are in millions.*

As of September 30, 2017, Pinellas County and the City of St. Petersburg had a population of 939,548 and 253,585, respectively, compared with an estimated 931,477 and 250,713 the year before, per the U.S. Census Bureau 5-Year Estimates.

In September 2017, the labor force in Pinellas County and the City of St. Petersburg was 501,517 and 143,368, respectively, compared to 488,146 and 139,597, respectively, the year before. Employment within Pinellas County increased from the prior year while the City of St. Petersburg employment increased from the prior year, with employment at 485,802 and 138,943 for the current year, respectively, and 466,152 and 133,323, respectively, for the prior year. The non-seasonally adjusted City unemployment for September 2017 stood at 3.1% compared to 4.5% a year earlier. (Source: Bureau of Labor Statistics [www.bls.gov](http://www.bls.gov))

## **2017 Budget Highlights**

The FY 2017 Adopted Budget is \$514.1 million for all funds, excluding internal service funds and dependent districts. This is an increase of \$8.3 million or 1.7% from the FY 2016 Adopted Budget. The estimate was used by City Council to set the millage rate as required by Florida Statutes. Notable highlights of the FY 2017 Adopted Budget are as follows:

- City Council adopted a reduction in the City's millage rate from 6.7700 to 6.7550 mills.
- Investment of \$500,000 in our economic stability reserve fund. This investment combined with our two previous budgets' investments, add up to \$2 million for St. Petersburg's financial stability.
- \$376,052 was budgeted for the replacement of aged Police Department equipment such as ballistic vests, surveillance equipment, laser units, training gear, and software.
- Investment of \$1.02 million to add 10 Firefighter/Paramedic positions to staff two new peak load Advanced Life Support units.
- Provide a 4% general wage increase for non-unionized men and women
- Investment of \$1 million to continue funding programs that support St. Petersburg's at-risk youth.
- Investment of \$250,000 for early childhood education programs.
- City contribution of \$708,889 into the South St. Pete Community Redevelopment Area
- Continued investment in programs within the Planning and Economic Development Department. Programs include the South St. Petersburg Tax Increment District, the Innovation District, and other neighborhood programs.
- Investment of \$400,000 to provide emergency shelter, rapid rehousing, case management and supportive services for homeless families residing in St. Petersburg
- Savings of \$2.7 million for the annually required contribution (ARC) to fund pension obligations for the Police, Fire and the ERS pension funds.

In addition, the FY 2017 capital improvement budget totals \$106.5 million, with a five year capital improvement budget of \$359.4 million. Notable new programs are as follows:

- A total investment of \$58.5 million in Water Resources to create additional capacity within the system and the repair and replacement of leaking and aging pipes. \$18.4 million is included in this investment to create additional treatment and disposal capacity at the Southwest and Northwest Water Reclamation Facilities.
- \$800,000 for the acquisition of 20 new police cars.
- Investment in Fire and EMS including \$618,000 for the replacement of two fire engines and \$375,000 for future replacement of bunker and SCBA gear.
- Investment of \$1.13 million in the Streetscape Division, including \$547,871 to create two new teams that will be added to the Stormwater Department.

## Cost of City Services

A comparison of city population in relationship to total city employees (full-time FTE) and cost of city services provides insight into the City's cost to provide all city services.

Fiscal Year	City Population	Budgeted FTE City Positions	Governmental Expenditures (in millions)	Average Cost Per Citizen	Cost increase (decrease)
2008	251,459	2,911	295	1,173	8.0%
2009	248,729	2,860	292	1,174	0.1%
2010	246,378	2,745	285	1,157	-1.5%
2011	244,769	2,733	282	1,152	-0.4%
2012	246,293	2,693	290	1,177	2.2%
2013	245,363	2,679	262	1,068	-9.3%
2014	246,642	2,681	287	1,164	9.0%
2015	248,429	2,698	285	1,147	-1.4%
2016	250,713	2,804	291	1,161	1.2%
2017	253,585	2,870	304	1,195	2.9%

For more information on fiscal year 2017 activities and expenditures, as shown on the basic financial statements, please refer to Management's Discussion and Analysis.

## Long Term Financial Planning

The City had adopted fiscal policies that are reviewed and updated annually as part of the budgetary review process. Included in the fiscal policies are policies relating to targeted fund balances, guidelines for investing, policies on issuance of debt, and overall guidelines for financial and accounting practices, including the basic framework for preparing the City's operating and capital improvement budgets.



## **Mayor's Initiatives**

Guided by our vision of being a "city of opportunity where the sun shines on all", the policies and priorities emanating from the Mayor's Office moved St. Pete forward in 2017. We experienced unprecedented economic growth, substantial progress on key projects and initiatives, and elevated our city's profile and our people. Our three areas of focus are as follows:

### **Poverty Eradication**

Among the positive strides in 2017 was our African-American poverty rate reaching an all-time low. Poverty eradication has been a priority for the Kriseman Administration and for the entire community, as evidenced by the many policies and programs that provide opportunity to our residents.

Progress in south St. Pete is also highlighted by the continued revival of the 22nd Street South corridor.

### **Infrastructure**

Approximately \$70 million dollars was spent upgrading our wastewater infrastructure in 2017. In addition to our immediate upgrades, our integrated 'one water' initiative will help us understand how drinking water, wastewater, stormwater, reclaimed water and recreational water uses overlap, and how we can best prepare for heavier use, a changing climate, and rising seas.

Work will continue through 2018 and beyond to ensure St. Pete is well-prepared for the future.

Transportation infrastructure also remains a priority, as we work to become a friendlier city for pedestrians and cyclists, and as we pursue mass transit options.

### **Progress on Key Projects**

Ground was broke on the new St. Pete Pier and the new police headquarters in 2017 and substantial progress was made throughout the year. 'Doc Ford's', a popular theme restaurant, was the first restaurant tenant signed for the new pier.

Both projects are scheduled to be complete in early 2019.

All things we do, in 2018 and beyond, will be guided by our vision and our strategic pathways of Stewardship & Fiscal Responsibility, Innovation, Impactful Service, and Community Engagement.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of St. Petersburg for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

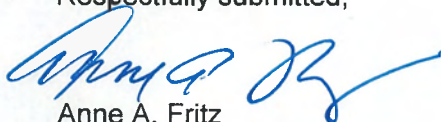
In addition, the City also received the GFOA's Popular Annual Financial Reporting Award for its Popular Annual Financial Report (PAFR) published for the fiscal year ended September 30, 2016 and the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2016. In order to qualify for the PAFR award, the City must ultimately receive the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the current fiscal year and must be proficient in designing reporting from their comprehensive annual financial report that is both readily accessible and easily understandable to the general public.

In order to qualify for the Distinguished Budget Presentation Award, the City's budget document was judged to be proficient in several categories including policy documentation, financial planning, organization, and as a communications medium. We are pleased that we continue to achieve this distinction.

The preparation of the Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

The City would also like to thank former City Administrator Dr. Gary Cornwell for his distinguished career and dedication to the City. We also greatly appreciate the continued support of the Citizens, City Council, Mayor and Administration.

Respectfully submitted,



Anne A. Fritz  
Chief Financial Officer



Dr. Kanika Tomalin  
Deputy Mayor and City Administrator



Erika Langhans  
Controller



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of St. Petersburg  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**September 30, 2016**

Executive Director/CEO





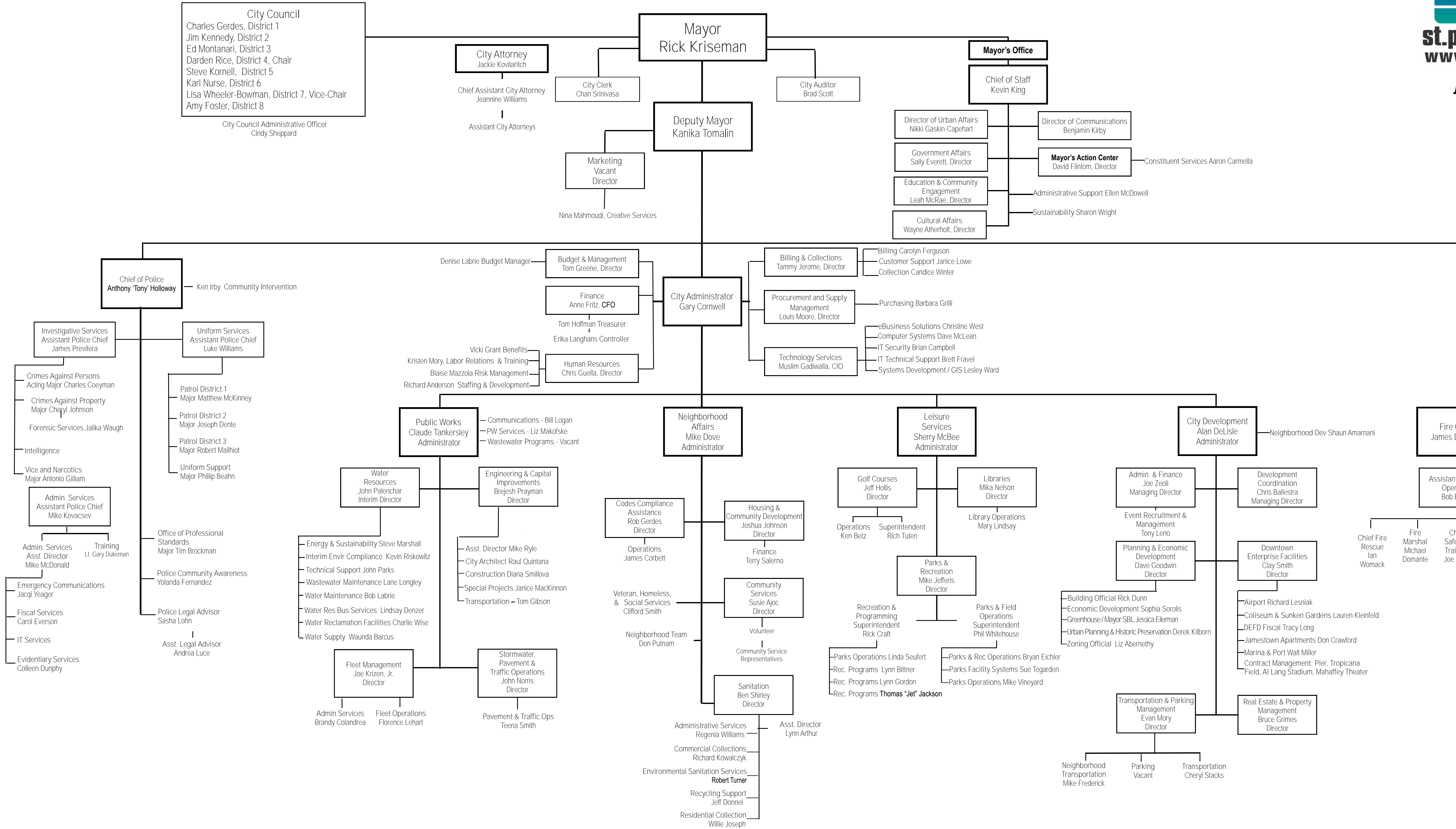
Citizens



st.petersburg  
www.stpete.org

FY17

Rev. 5/9/17





## II. FINANCIAL SECTION

- Report of Independent Auditor
- Management's Discussion and Analysis (Unaudited)
- Basic Financial Statements
  - Government-Wide Statements
  - Fund Financial Statements
  - Notes to the Financial Statements
- Required Supplementary Information (Unaudited)
- Combining and Individual Fund Statements and Schedules





# **REPORT OF INDEPENDENT AUDITOR**

## **Report of Independent Auditor**

To the Honorable Mayor and Members of City Council  
City of St. Petersburg, Florida

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Petersburg, Florida (the “City”) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements as listed in the table of contents.

### ***Management’s Responsibility for the Financial Statements***

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

### ***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, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the general fund, community redevelopment districts fund, downtown redevelopment district fund, and grants fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### ***Required Supplementary Information***

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

### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, statistical section, schedule of expenditures of other governmental agencies awards, and schedule of receipts and expenditures of funds related to the Deepwater Horizon oil spill are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General*, and is also not a required part of the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated February 21, 2018, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Tampa, Florida  
February 21, 2018



# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As Chief Financial Officer of the City of St. Petersburg (the City), I offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2017. The information presented here should be considered in conjunction with the letter of transmittal and the financial statements.

**FINANCIAL HIGHLIGHTS**

- The City's assets and deferred outflows exceed its liabilities and deferred inflows at the close of this fiscal year by \$1,225.0 million (\$1,205.0 million in 2016) (net position), which is an increase of \$17.5 million (\$22.5 million in 2016) as compared to the prior year's net position.
- Unrestricted net position totals \$335.9 million (\$333.6 million in 2016) and may be used to meet the government's ongoing obligations to citizens and creditors. Of that amount, \$193.2 million relates to governmental activities and \$142.7 million relates to business-type activities.
- Governmental general revenue and transfers totaled \$230.7 million compared to \$236.7 million in 2016, or a \$6 million (2.6%) decrease from the prior year.
- The business-type activities program revenue totaled \$206.6 million as compared to \$202.6 million in 2016, or an \$4.0 million (1.9%) increase over the prior year; program expenses totaled \$201.0 million as compared to \$202.4 million in 2016, or a \$1.4 million (0.7%) decrease over the prior year. Including transfers, the result produced an increase in business-type net position of \$16.2 million as compared to a decrease in net position of \$1.6 million in the prior year.
- As of the close of the fiscal year, the City of St. Petersburg's governmental activities reported combined ending net position of \$560.5 million as compared to \$559.2 million in 2016. Of net position, \$193.2 million was unrestricted for governmental activities.
- During the current fiscal year, there was a \$1.3 million addition in net position for governmental activities and a \$16.2 million addition in net position for business activities, for a total of \$17.5 million increase in net position.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

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

The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The *statement of activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Accordingly, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, community and economic development, public works, public safety and recreation, culture and social. The business-type activities of the City include Water Resources, Stormwater, Sanitation, Airport, Port, Marina, Golf Courses, the Jamestown Housing Complex, Tropicana Field, Coliseum, Mahaffey Theater, Pier, Sunken Gardens, and Parking.

The St. Petersburg Community Redevelopment Agency is a blended component unit that for all practical purposes is treated as part of the primary government. The data from this component unit is blended with the data from the City. The St. Petersburg Health Facilities Authority, an additional component unit, has more autonomy than the blended component unit and is presented separately in the financial statements.

The government-wide financial statements can be found on pages 50 and 51 of this report.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**Fund Financial Statements**

A *fund* is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

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

The focus of governmental funds is narrower than that of the government-wide financial statements so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, one 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 balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Community Redevelopment Districts, the Downtown Redevelopment District, Local Option Sales Surplus Improvement Fund, General Capital Improvement Fund and the Grants Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements following page 177 of the report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement, page 59, has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 52 through 62 of this report.



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**Proprietary Funds**

The City maintains two different types of *proprietary funds*, enterprise funds and internal service funds. *Enterprise* funds are used to report the same functions presented as business-type activities, as noted above in the government-wide financial statements section. *Internal service* funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for Equipment Maintenance, Facilities Maintenance, Information and Communications Services, Billing and Collection Services, Consolidated Inventory, and Insurance Services. These services predominantly benefit governmental rather than business-type functions so they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Resources, Stormwater, Sanitation and Tropicana Field funds. The remaining enterprise funds are combined into a single aggregated presentation in the proprietary fund financial statements. Conversely, all internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the proprietary funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 64 through 71.

**Fiduciary Funds**

The *fiduciary fund* financial statements include the pension plans and agency funds of the City. These funds represent trust responsibilities of the government and are restricted in purpose. Accordingly, they do not represent discretionary assets of the City and are not presented as part of the government-wide financial statements.

The basic fiduciary fund financial statements can be found on pages 72 and 73.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 75 of this report.

**Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to funding pension obligations. The required supplementary information can be found beginning on page 166.

Combining statements referred to earlier in connection with non-major governmental funds, enterprise funds, internal service funds and fiduciary funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 177 through 237.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**The City of St. Petersburg as a Whole**

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net position for 2017 as compared to 2016.

**Summary of Net Position**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 521,869,320	\$ 428,826,241	\$ 279,756,756	\$ 256,122,974	\$ 801,626,076	\$ 684,949,215
Capital Assets	377,347,912	385,439,904	914,084,063	839,290,669	1,291,431,975	1,224,730,573
Total Assets	899,217,232	814,266,145	1,193,840,819	1,095,413,643	2,093,058,051	1,909,679,788
Deferred Outflows of Resources	59,371,274	62,046,887	19,932,518	14,638,697	79,303,792	76,685,584
Other Liabilities	56,869,228	49,842,639	50,662,574	31,293,313	107,531,802	81,135,952
Long Term Liabilities	332,508,546	254,045,995	498,802,222	429,878,562	831,310,768	683,924,557
Total Liabilities	389,377,774	303,888,634	549,464,796	461,171,875	938,842,570	765,060,509
Deferred Inflows of Resources	8,710,961	13,270,506	2,309,186	3,078,298	11,020,147	16,348,804
Net investment in capital assets	338,458,935	345,467,808	504,565,046	484,346,509	843,023,981	829,814,317
Nonexpendable	430,455	419,117	-	-	430,455	419,117
Restricted	28,399,994	21,440,001	14,750,889	19,662,021	43,150,883	41,102,022
Unrestricted	193,210,387	191,826,966	142,683,420	141,793,637	335,893,807	333,620,603
Total Net Position	\$ <u>560,499,771</u>	\$ <u>559,153,892</u>	\$ <u>661,999,355</u>	\$ <u>645,802,167</u>	\$ <u>1,222,499,126</u>	\$ <u>1,204,956,059</u>

Net position may serve over time as a useful indicator of a government's financial condition. The City's assets and deferred outflows exceeded its liabilities and deferred inflows by \$1,222.5 million at the close of fiscal year 2017, an increase of \$17.5 million from the prior year.

As depicted in Table 1, the largest portion of the City's net position, 69.0%, reflects its investment in capital assets less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. At year end, the City had \$430,455 (.04%) in nonspendable net position. Also, approximately 3.5% of the net position of the City represents resources that are subject to external

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

restriction on how they may be used. The remaining 27.46% of net position are unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

As was the case in the prior year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its governmental and business-type activities.

Governmental activities total net position increased by \$1.3 million during 2017 as compared to an increase in total net position of \$24.1 million during the prior fiscal year. The decrease in change in net position as compared to the prior year primarily relates to the difference in net transfers; during the current fiscal year net transfers to business-type activities was \$3.4 million, as compared to net transfers in from business activities during 2016 of \$9.8 million.

The current year change in net position is attributed to revenues of \$313.9 (\$302.9 in 2016) million over expenses of \$309.1 million (\$288.6 million in 2016), and net transfers of \$(3.4) million from other funds (\$9.8 million in 2016).

Business-type activities total net position increased by \$16.2 million as compared to a \$1.6 million decrease in 2016, primarily caused by the increase in net transfers as mentioned above.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

The City's operations for the past two fiscal years are summarized as follows:

**Summary of Change in Net Position**

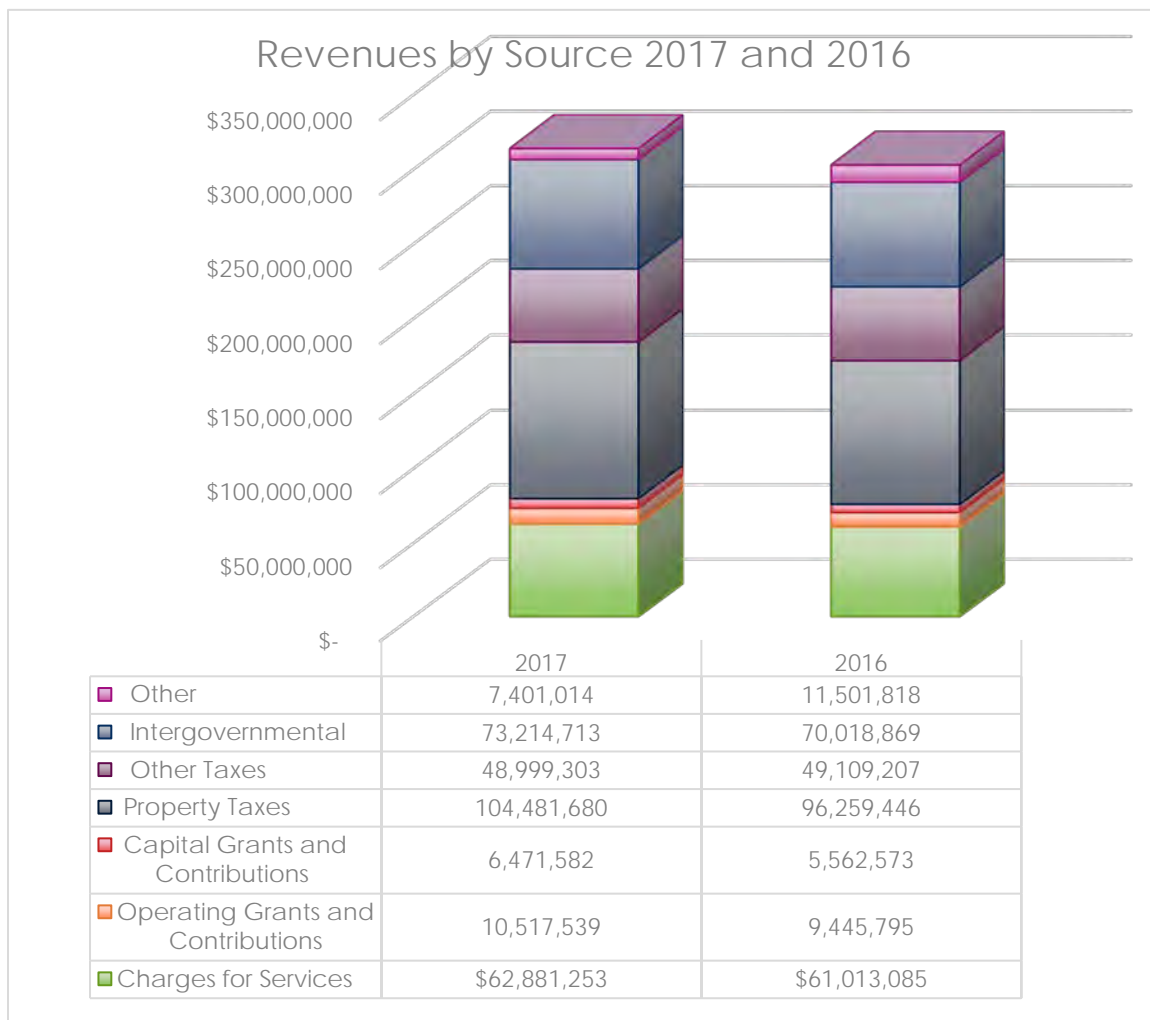
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total Primary Government</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Program Revenues:						
Charges for Services	\$ 62,881,253	\$ 61,013,085	\$ 201,511,492	\$ 195,063,080	\$ 264,392,745	\$ 256,076,165
Operating Grants and Contributions	10,517,539	9,445,795	3,529,778	2,689,792	14,047,317	12,135,587
Capital Grants and Contributions	6,471,582	5,562,573	1,563,014	4,805,151	8,034,596	10,367,724
General Revenues:						
Property Taxes	104,481,680	96,259,446	-	-	104,481,680	96,259,446
Other Taxes	48,999,303	49,109,207	-	-	48,999,303	49,109,207
Intergovernmental	73,214,713	70,018,869	-	-	73,214,713	70,018,869
Other	7,401,014	11,501,818	7,133,175	7,987,096	14,534,189	19,488,914
Total Revenues	313,967,084	302,910,793	213,737,459	210,545,119	527,704,543	513,455,912
Program Expenses:						
General Government	41,180,855	39,401,295	-	-	41,480,855	39,401,295
Comm. and Economic Development	20,530,929	25,639,209	-	-	20,530,929	25,639,209
Public Works, Streets & Facilities	31,828,229	21,319,804	-	-	31,828,229	21,319,804
Public Safety - Police	114,930,124	100,589,020	-	-	114,930,124	100,589,020
Public Safety - Fire and EMS	43,254,689	41,949,594	-	-	43,254,689	41,949,594
Recreation, Social & Culture	54,966,996	58,126,018	-	-	54,966,996	58,126,018
Interest on Long-term Debt	2,501,068	1,568,898	-	-	2,501,068	1,568,898
Water and Waste Water Utility	-	-	115,296,480	114,768,677	115,296,480	114,768,677
Stormwater Utility	-	-	15,786,948	16,258,907	15,786,948	16,258,907
Sanitation	-	-	41,660,758	40,640,667	41,660,758	40,640,667
Tropicana Field	-	-	6,277,185	6,293,282	6,277,185	6,293,282
Airport	-	-	1,546,366	1,541,559	1,546,366	1,541,559
Port	-	-	1,026,277	1,043,589	1,026,277	1,043,589
Marina	-	-	3,512,662	3,364,333	3,512,662	3,364,333
Golf Courses	-	-	3,777,731	3,841,861	3,777,731	3,841,861
Jamestown Complex	-	-	1,143,617	691,204	1,143,617	691,204
Parking	-	-	6,056,754	5,630,019	6,056,754	5,630,019
Mahaffey	-	-	2,448,161	6,011,641	2,448,161	6,011,641
Pier	-	-	22,944	(11,941)	22,944	(11,941)
Coliseum	-	-	868,837	860,631	868,837	860,631
Sunken Gardens	-	-	1,543,866	1,439,376	1,543,866	1,439,376
Total Expenses	309,192,890	288,593,838	200,968,586	202,373,805	510,161,476	490,967,643
Change in net position before transfers	4,774,194	14,316,955	12,768,873	8,171,314	17,543,067	22,488,269
Transfers	(3,428,315)	9,807,643	3,428,315	(9,807,643)	-	-
Increase (Decrease) in Net Position	1,345,879	24,124,598	16,197,188	(1,636,329)	17,543,067	22,488,269
Net Position, Beginning of Year	<u>559,153,892</u>	<u>535,029,294</u>	<u>645,802,167</u>	<u>647,438,496</u>	<u>1,204,956,059</u>	<u>1,182,467,790</u>
Net Position, End of Year	<u>\$ 560,499,771</u>	<u>\$ 559,153,892</u>	<u>\$ 661,999,355</u>	<u>\$ 645,802,167</u>	<u>\$ 1,222,499,126</u>	<u>\$ 1,204,956,059</u>

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**Governmental Activities**

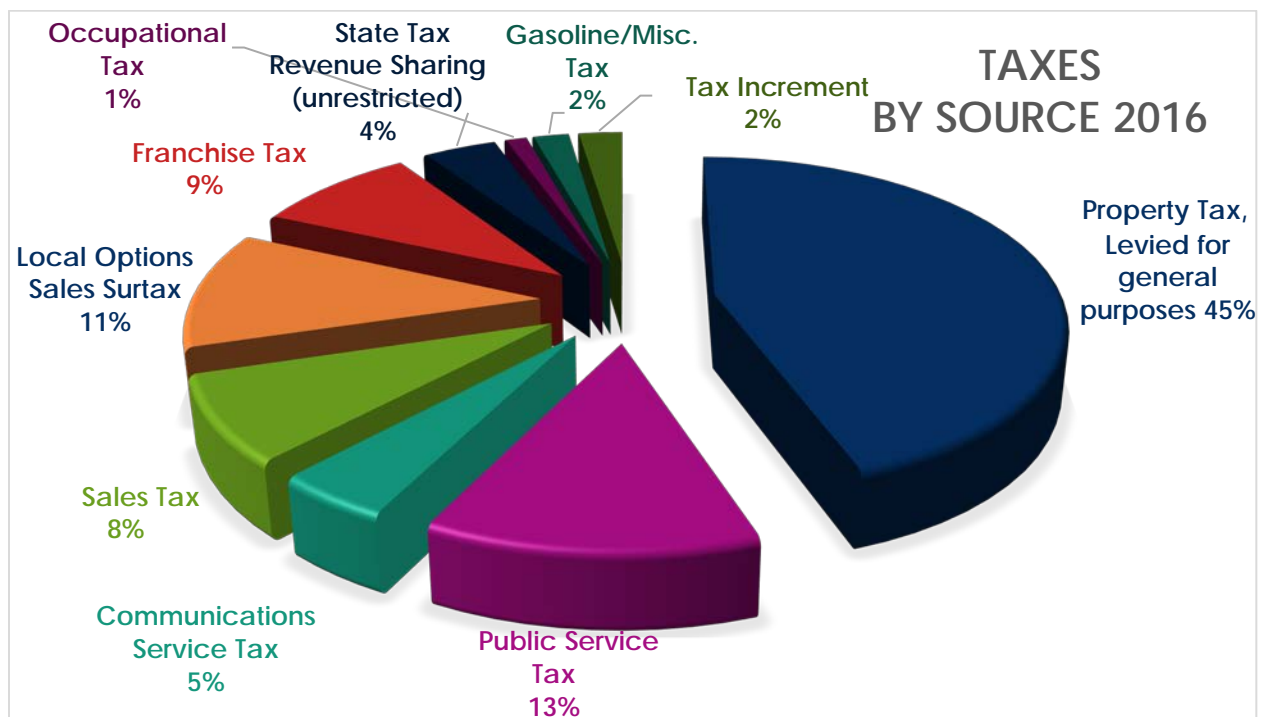
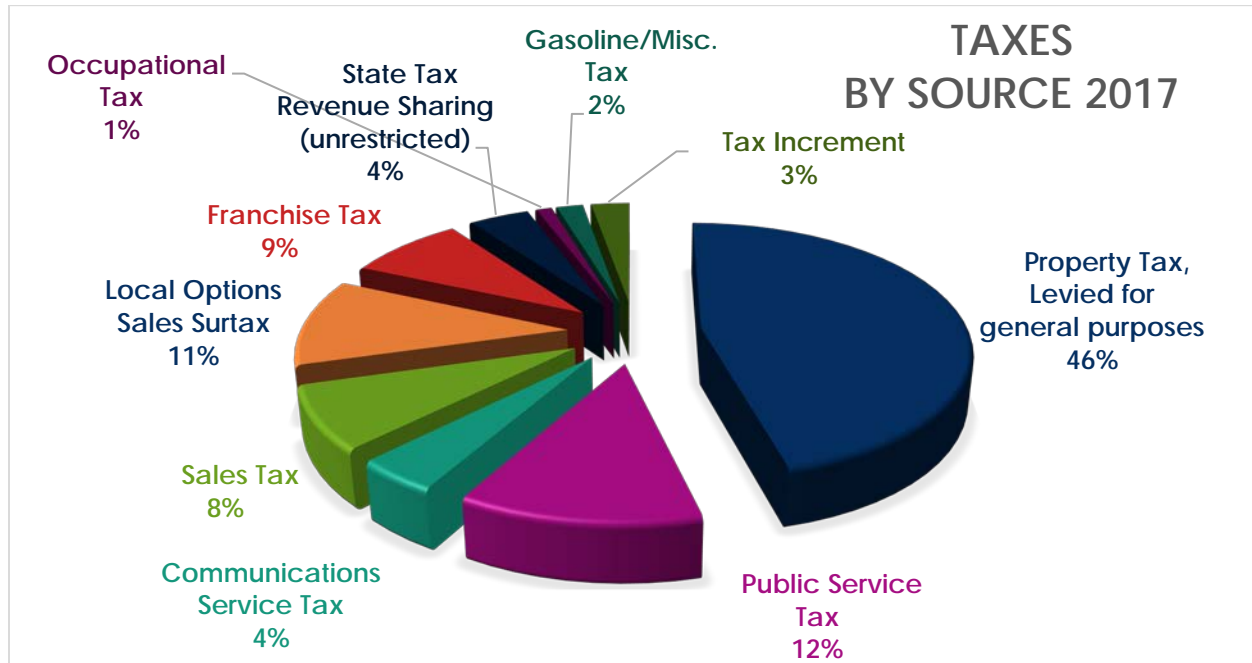
Governmental activities change in net position for the current year is \$1.3 million, as compared to \$24.1 million during 2016. The decrease in change in net activities resulted from net transfers from governmental activities to business type activities of \$3.4 million during 2017 as compared to net transfers from business type activities to governmental activities of \$9.8 million during 2016. The net change in transfers difference primarily relates to the allocation of fleet equipment and related assets that prior to 2017 were procured and held in the internal service funds but were transferred to their respective departments during 2017 and are not accounted for as governmental or business type assets depending on their departmental use.

Also during 2017, there was an increase in revenues from governmental activities as the revenues increased from \$302.9 million in 2016 to \$314 million in 2017, which is an \$11.0 million increase, or 3.5%. The largest increase from general governmental activities were property tax revenues, which increased \$8.2 million (8.5%) from the prior year, due to the increased valuations from continued growth in existing property values as well as new construction. Other governmental revenues all saw increases from the prior year with the exception of other taxes, which were down slightly (0.22%), and other revenue, which declined \$4.1 million in 2017 due to one-time revenues received in the prior year. A summary of revenues by source for each year is as follows:



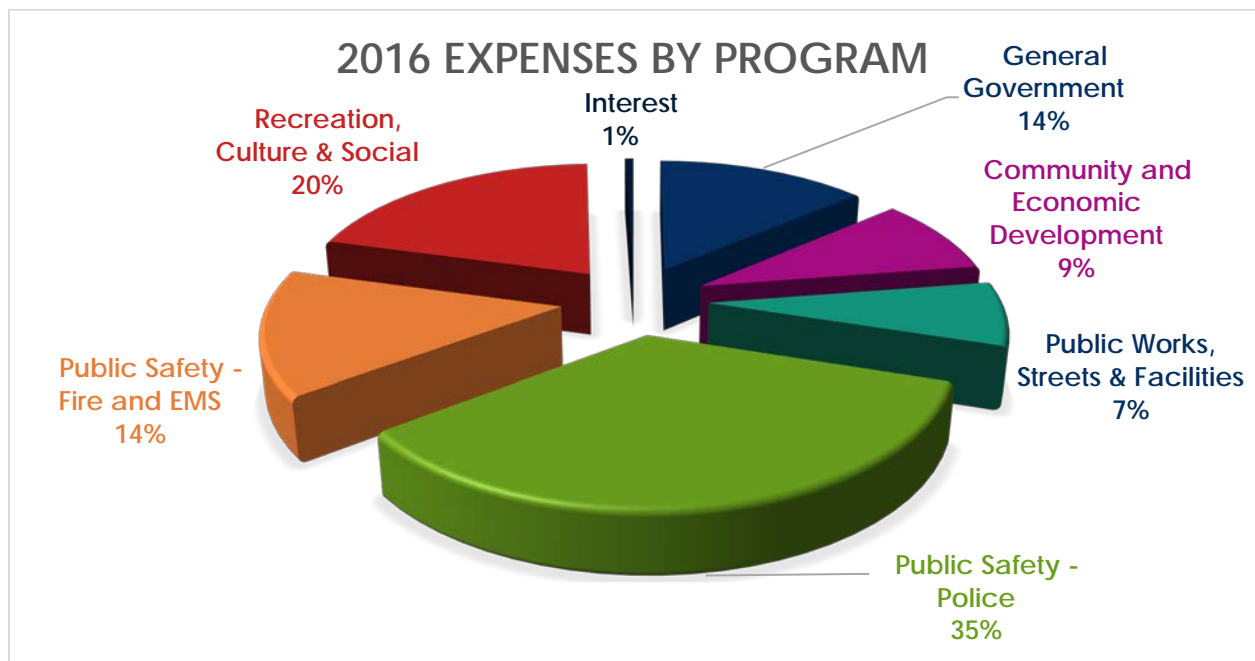
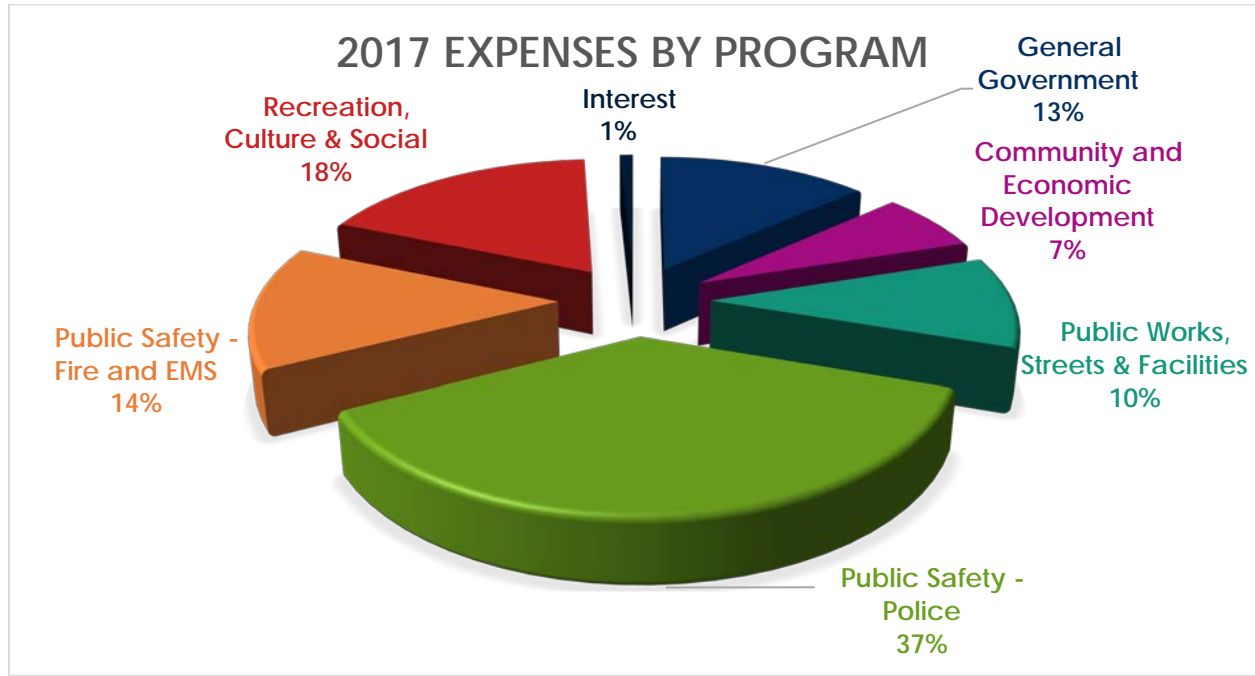
**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

A graphical breakdown of taxes by tax source for 2017 and 2016 is as follows:



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

A breakdown of expenses by program for governmental activities for 2017 and 2016 is as follows:



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

The largest governmental program expense for the City relates to public safety, including the police and fire departments, which accounts for \$158.2 million, or 51% (\$142.5 million, or 50% in 2016) of total governmental program expense for 2017. Continued investment in police related activities occurred during the fiscal year with additional salaries and benefits to personnel, and increased overtime costs to maintain safety during city events and other large gatherings. Further, additional expense was included in 2017 relating to the change in pension expense according to GASB 68 (see below). Recreation, social & cultural, and general government are the next largest program expenses at 18% and 13%, respectively, of total governmental program expense for the current fiscal year. Public works, streets & facilities was 10% of total program expense, community and economic development were 7%, and interest was 1% for 2017.

Program expenses totaled \$309.2 million in 2017, which is an increase of \$20.6 million (7.1%) during 2017 over 2016. Public works, streets & facilities program expense increased \$10.5 million (49.2%) due to additional maintenance costs occurring during 2017 for projects that relate to public works infrastructure, streets and facilities. Public safety program expense increased \$15.6 million (11.0%) due to enhanced investment in public safety activities including hiring and equipping additional police officers during the current fiscal year. Breaking it down further, there was an additional \$14.3 million in public safety – police for a total of \$115.1 million, and an additional \$1.3 million (3%) for public safety – fire, for a total of \$43.3 million during 2017.

Recreation, social, and cultural had a decrease in expense during the current fiscal year as compared to 2016, decreasing expenses by \$3.2 million, or 5.4% from the prior fiscal year due to certain one-time projects being completed in the prior year. General government increased expense 4.5%, or \$1.8 million due to salary, benefit and other increases. Community and Economic Development decreased \$5.1 million (20.0%) due to the prior year recognizing certain one-time expense relating to operating projects and economic development initiatives. Interest expense increased \$0.9 million (59.4%) due to additional borrowings for construction projects.

The GASB 68 adjustments to public safety and other programs may cause program expense to fluctuate on a year to year basis as the adjustments for the pension plans are recorded each year.

***Business-Type Activities***

Business-type activities program revenue exceeded program expenses by \$5.6 million during 2017, as compared to \$0.02 million during 2016. The increase was attributable to increased program revenues and a decrease in program expense.

Charges for services increased by \$6.4 million (3.3%) during 2017, primarily relating to rate increases for the utility funds. There was a decrease in both capital grants and operating grants during the current fiscal year relating to certain grant eligible projects that were in the prior year. Other revenue decreased by \$0.9 million during the current year. Total business-type activities revenues increased \$3.2 million, or 1.5% from the prior year.



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

Total business-type activities program expenses decreased \$1.4 million (0.7%) from 2016, with the largest decrease in Stormwater with a \$0.5 million decrease in program expense during the current fiscal year as compared to 2016. Sanitation had an increase of \$1.0 million (2.5%) in expense over 2016, and the other program expenses were generally consistent with the prior year.

## **FINANCIAL ANALYSIS OF CITY FUNDS**

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

### **Governmental Funds**

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

Fund balances are the differences between assets and liabilities in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form, or amounts that are required to be maintained intact. Restricted fund balance include amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balances include amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body or authorized official and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund and deficit fund balances in any other governmental fund.

As of the end of the current fiscal year, the City of St. Petersburg's governmental funds reported combined ending fund balances of \$331.9 million. Of that amount, \$9.5 million was nonspendable, \$230.6 million was restricted, \$47.9 million was committed, \$21.63 million was assigned, and \$22.3 million was unassigned fund balance (See Note 3).

The General Fund, the chief operating fund of the City, had a fund balance at September 30, 2017, of \$64.3 million, with \$9.0 million nonspendable, \$32.1 million committed, and \$23.2 million was unassigned (See Note 3).

As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 10% of the total General Fund expenditures as compared to 13% in the prior year. The total General Fund balance is maintained at 28% of total General Fund expenditures at year-end, as compared to 29% in 2016.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

The General Fund excess of revenue and other sources over expenditures and other uses was \$1.9 million for the current fiscal year due (\$1.7 million in 2016) due to:

- Revenues of \$223.6 million (\$211.2 million in 2016) compared to total expenditures of \$229.1 million (\$216.3 million in 2016) resulted in a deficiency of revenues over expenditures of \$5.5 million (\$5.1 million in 2016).
- Transfers-in of \$18.6 million (\$20.3 million in 2016) as compared to transfers out of \$11.1 million (\$13.5 million in 2016).

The operating information for other major governmental funds is as follows (in thousands):

	Community Redevelopment Districts		Downtown Redevelopment District		Local Option Sales Surtax Improvement	
	2017	2016	2017	2016	2017	2016
Revenues and Other Sources	\$ 2,307	\$ 1,463	\$ 12,820	\$ 11,350	\$ 30,550	\$ 29,867
Expenses and Other Uses	<u>2,219</u>	<u>468</u>	<u>5,989</u>	<u>5,828</u>	<u>27,915</u>	<u>20,453</u>
Increase (decrease) in Fund Balances	\$ <u>88</u>	\$ <u>995</u>	\$ <u>6,831</u>	\$ <u>5,522</u>	\$ <u>2,635</u>	\$ <u>9,414</u>
	General CIP Fund		Grants Fund			
	2017	2016	2017	2016		
Revenues and Other Sources	\$ 58,281	\$ 68,651	\$ 3,238	\$ 3,617		
Expenses and Other Uses	<u>13,158</u>	<u>12,069</u>	<u>3,000</u>	<u>3,514</u>		
Increase (decrease) in Fund Balances	\$ 45,123	\$ 56,582	\$ 238	\$ 103		

As can be seen above, there was an increase in fund balance for all of the other major funds, primarily relating to planned future projects to be funded from the balances.

Further detail regarding these major governmental funds can be found on pages 52 through 58.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**Proprietary Funds**

The City's proprietary funds provide the same type of information found in the business-type column of the government-wide financial statements, but in more detail. The proprietary funds are composed of the enterprise funds and the internal service funds.

The enterprise funds are supported primarily through user charges. The following schedule, in thousands, is a summary of the performance of each of the major enterprise funds. Additional detail on the performance of these funds can be found on pages 64 through 71. Detail on the non-major enterprise funds can be found on pages 219 through 225.

The operating results for the major Enterprise Funds are as follows (in thousands):

	<b>Water Resources</b>		<b>Stormwater</b>		<b>Sanitation</b>		<b>Tropicana Field</b>	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenues and Other Sources	\$ 134,994	\$ 125,741	\$ 20,991	\$ 13,228	\$ 45,374	\$ 45,249	\$ 2,874	\$ 3,015
Expenses and Other Uses	127,071	126,222	18,165	18,381	44,969	43,536	6,293	6,455
Incr. (Decr.) in Net Position	\$ 7,923	\$ (481)	\$ 2,826	\$ (5,153)	\$ 405	\$ 1,713	\$ (3,419)	\$ (3,440)

Water Resources increase in net position during the current fiscal year relates to the increase water and sewer rates that will be used to fund the ongoing infrastructure improvements and increased cost of operations. As compared to 2016, the Water Resources Fund had significant improvement as expenses were held to a small increase over the prior year, yet revenues increased to allow the continued system and operational improvements necessary.

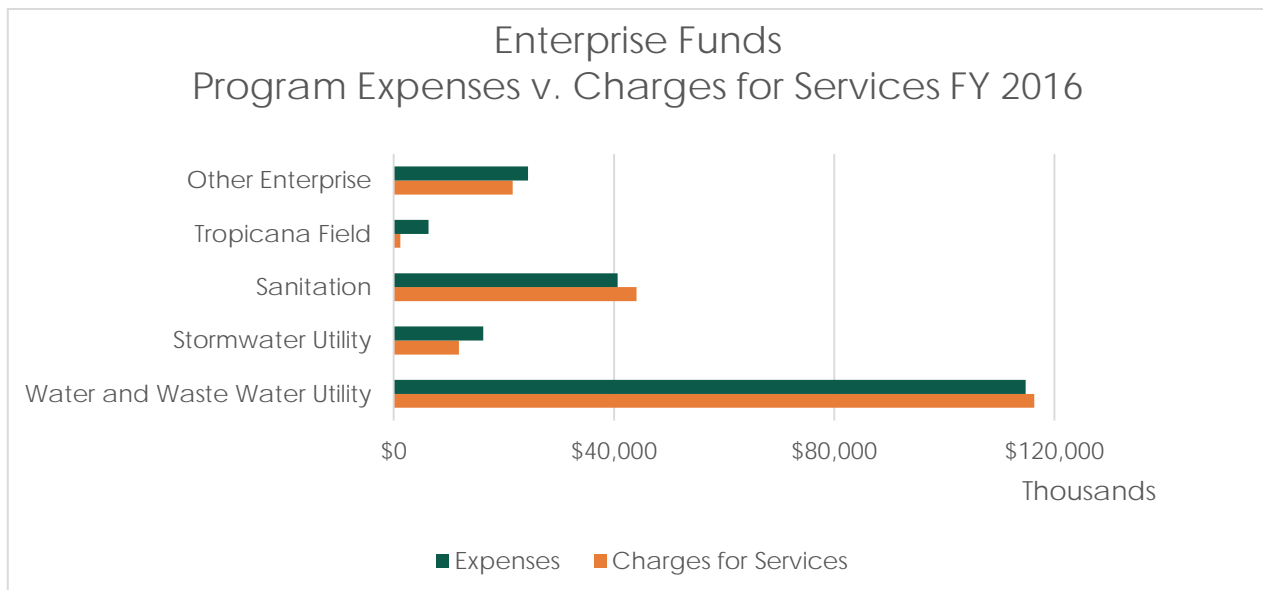
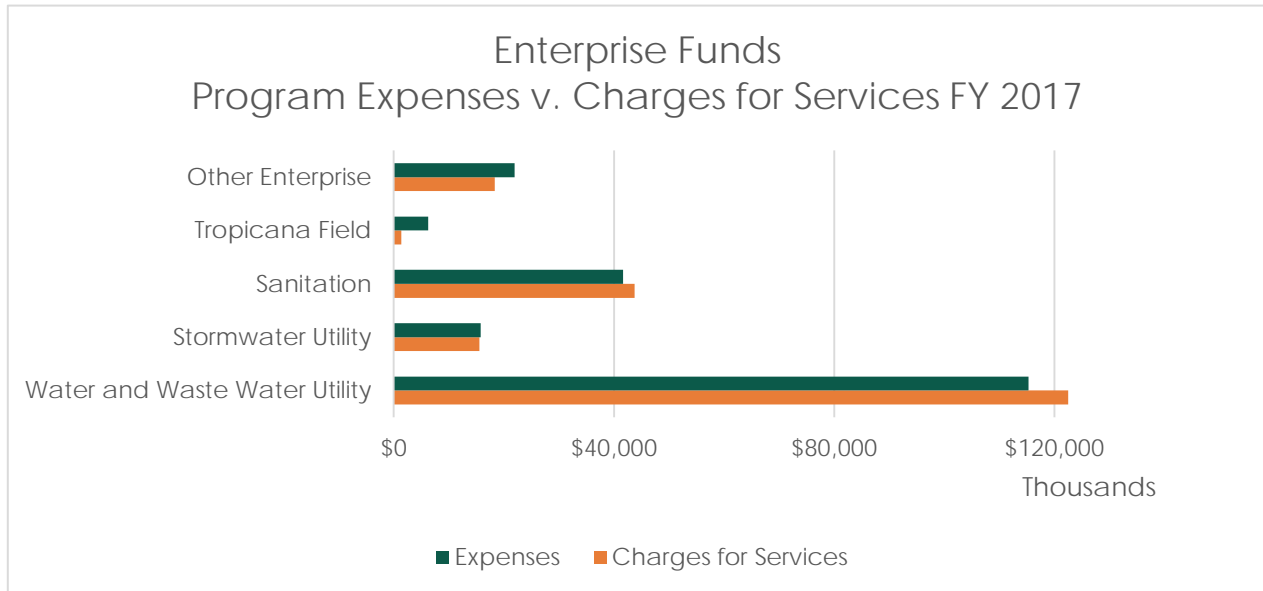
Stormwater had an increase in revenue due to the increase in stormwater fees that will allow stormwater to fund upcoming debt service payments and improvements due.

Sanitation results showed a slight increase in revenues and expenses, but added to net position during the current fiscal year.

Tropicana Field was consistent to the prior year change, with a small increase in revenue and other sources, resulting in a reduction of net position of \$3.4 million, nearly the same as in the prior fiscal year.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

The following graph represents the revenues from user charges (charges for services only) as compared to the total program expense for the current and prior fiscal year. Sanitation had user charges greater than expenses for 2017, while the other enterprise funds had program expenses exceeding charges for services for the current fiscal year.



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

For the City's largest Enterprise Funds, Water Resources, Stormwater, and Sanitation program revenues exceeded program expense, including depreciation expense, and resulted in a surplus from operations. Tropicana Field had operating losses.

A summary of operating results for the major enterprise funds is as follows (in millions):

	Water Resources	Stormwater	Sanitation	Tropicana Field
Operating Revenues	\$ 122.5	\$ 15.7	\$ 43.7	\$ 1.4
Operating Expenses	100.9	15.6	42.0	6.3
Operating Income (Loss)	21.6	0.1	1.7	(4.9)
Non Operating Revenues (Expenses)	(6.9)	(0.3)	1.0	-
Income (Loss) Before Contributions and Transfers	14.7	(0.2)	2.7	(4.9)
Transfers and Contributions	<u>(6.8)</u>	<u>3.0</u>	<u>(2.3)</u>	<u>1.5</u>
Change in Net Position	\$ 7.9	\$ 2.8	\$ 0.4	\$ (3.4)
Net Position October 1	<u>342.3</u>	<u>113.1</u>	<u>15.1</u>	<u>87.4</u>
Net Position September 30	<u>\$ 350.2</u>	<u>\$ 115.9</u>	<u>\$ 15.5</u>	<u>\$ 84.0</u>

Enterprise funds during the current fiscal year have been managed to control expense while increasing revenues, making the change in net position much more favorable than in the prior year.

The internal service funds are, for the most part, supported through charges to other funds. The individual internal service funds are reported on pages 227 through 233.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget projected that revenues and other sources would be in excess of revenues over expenditures and other uses by \$1.7 million. The final approved budget reflected a projected deficiency in revenues of \$16.7 million due to budget amendments to recognize additional investments relating to public safety, city development administration, and public works, capital outlay, and other programs. The original budget for expenditures was \$225.4 million, where the final approved budget was \$244.6 million.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

Throughout the fiscal year there were supplemental appropriations made relating to:

- Use of BP Settlement for various initiatives including \$3.0 million to be used for sewer improvements, \$2.9 million for the ferry project, sustainability, trees, sun program, energy efficiency and other programs.
- Planning and economic development in the amount of \$1.8 million.
- Advances to the water and sewer utility fund for projects in the amount of \$3.8 million.
- Additional operational expenses for overtime and subsidies of \$1.7 million
- Project funding for technology including police laptops and for a timekeeping system for a total of \$1.3 million.
- Additional appropriations for the Parks & Recreation Administration for \$0.6 million.
- Community service and related grants in the amount of \$0.5 million
- Water rescue grant and preparedness, disaster consulting of \$0.5 million
- FEMA grant for the fire department in the amount of \$0.3 million.
- Special election cost of \$0.3 million.

Actual expenditures were \$234.1 million, or \$6.6 million less than budgeted, primarily due to timing differences between the appropriations and the actual expenditure of moneys for projects relating to the BP settlement proceeds and certain technology projects appropriated and delayed until future periods. During late 2015, the City received a one-time settlement from the BP Deepwater Horizon oil spill totaling \$8.0 million in revenues which were now appropriated during 2016 and 2017.

Actual results report a \$2.5 million deficiency of revenues and other sources over expenditures and other uses, due to actual expenditures under the budgeted amounts, the one-time settlement amounts received in 2015 but expended during 2017, and budgeted amounts in certain administrations less than estimated. Public Works and Leisure Services slightly exceeded their appropriation authority during 2017 due to the timing of recording of expenditures after the preliminary closing of the fiscal year.

Additional budget to actual information on the City's general fund is on page 59.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

## CAPITAL ASSETS

The City has invested \$1.3 billion in capital assets (net of depreciation). Approximately 29% of this investment is related to governmental activities and includes infrastructure, buildings, equipment, and land. Capital assets held by the City at the end of the current and previous fiscal year are summarized, in thousands, as follows:

### Capital Assets, Net of Accumulated Depreciation (in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 120,615	\$ 120,547	\$ 29,789	\$ 29,789	\$ 150,404	\$ 150,336
Buildings & Systems Improvements & Infrastructure	63,389	65,571	144,708	150,133	208,097	215,704
Machinery & Equipment	149,577	155,313	24,229	25,007	173,806	180,320
Other Assets - Intangible	25,738	33,878	17,382	8,298	43,120	42,176
Utility Systems	-	2,100	-	-	0	2,100
Construction in Progress	-	-	611,828	602,642	611,828	602,642
Totals	18,029	8,030	86,148	23,422	104,177	31,452
	<u>\$ 377,348</u>	<u>\$ 385,439</u>	<u>\$ 914,084</u>	<u>\$ 839,291</u>	<u>\$ 1,291,432</u>	<u>\$ 1,224,730</u>

Additional information on the City's capital assets can be found in Note 8 beginning on page 117.

## LONG-TERM OBLIGATIONS

For fiscal year ended September 30, 2017, the City had total debt outstanding of \$593.5 million (\$485.2 million in 2016). Of this amount, \$74.4 million of note debt is backed by a covenant pledge to budget and appropriate from non-ad valorem revenue sources, and \$55.8 million is backed by the City's Public Service Tax Revenue. The remaining bonded and note debt is secured solely by specified revenue sources.

Debt outstanding at the City at the end of the current and previous fiscal year are summarized, in thousands, as follows:

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenue Bonds	\$ 70,650	\$ 72,545	\$ 414,895	\$ 372,265	\$ 485,545	\$ 444,810
Revenue Notes	-	-	33,539	18,601	33,539	18,601
Covenant Notes	<u>65,251</u>	<u>13,418</u>	<u>9,190</u>	<u>8,364</u>	<u>74,441</u>	<u>21,782</u>
Total	<u>\$ 135,901</u>	<u>\$ 85,963</u>	<u>\$ 457,624</u>	<u>\$ 399,230</u>	<u>\$ 593,525</u>	<u>\$ 485,193</u>

The City of St. Petersburg's Governmental Activities and Business-Type Activities debt increased by \$108.3 million during the current fiscal year, of which \$14.8 million related to principal reductions. New debt total issuance (net of refunding) was \$123.2 million.

**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

The City maintains a rating of Aa3 on non ad-valorem governmental debt (Aa2 issuer rating) from Moody's; and AA+ issuer rating from Fitch. For the Public Utility System comprising of the Water Resources and Stormwater operations, the utility has an Aa2 Moody's Rating, and AA Fitch Rating.

Currently the City has no general obligation debt, therefore, the entire State Statutes limitation is available to the City.

Additional information on the City's long-term debt can be found in Note 12 - Long-Term Obligations starting on page 122.

### **PENSIONS AND RETIREE HEALTHCARE**

Effective for fiscal year 2016, Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" created specific reporting requirements for pensions that are different than that used for funding purposes. Valuation are important as the reporting valuation provides a rigorous standard of measure that can be used to compare the City's pension liabilities to other governments.

The City maintains the City of St. Petersburg Employees' Retirement System ("ERS"), the City of St. Petersburg Firefighters' Retirement System ("Fire"), and the City of St. Petersburg Police Officer's Retirement System ("Police") as three separate single employer defined benefit plans. The information on the pension plans is found in Note 18, beginning on page 135.

Plan Reporting following GASB Statement Number 67 "Financial Reporting for Pension Plans", and GASB 68 is also included as "Required Supplementary Information", which is included on pages 166-174. The Schedule of Changes in the City's Net Pension Liability and Related Ratios found on page 170, show that during 2017, the plan fiduciary net position and as a percentage of total pension liability for ERS was 93.6% (88.5% in 2016), Fire was 112.6% (110.1% in 2016), and for Police was 92.6% (90.3% in 2016). The Net pension liability as a percentage of covered employee payroll for 2017 was 37.1% for ERS (68.57% in 2016), and Police was 92.8% (129.7% in 2016). Fire maintained a net pension asset as a percentage of covered employee payroll in 2017 of 180.0% in 2017 as compared to 157.8% in 2016.

The City also maintains a Defined Contribution Plan described on Note 19, page 158, where the City contributes 11% of employees' gross wages to the plan.

Other Post-Employment Benefits (OPEB) include retiree healthcare in accordance with GASB Statement No 45 "Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions information can be found on Note 20 and the Schedule of Funding Progress is found on page 174 of the Required Supplementary Information. The schedule shows the Actuarial Accrued Liability as of the valuation date of 10/1/2016 of \$199.8 million, or 139.5% of covered payroll. At 9/30/2017, the City's Percentage of Annual Required Contribution (ARC) contributed for OPEB was 38.6% as compared to 34.3% in 2016.



**City of St. Petersburg, Florida**  
*Management's Discussion and Analysis*  
*For the Year Ended September 30, 2017*  
*Unaudited*

**REQUEST FOR INFORMATION**

This financial report is designed to provide various interested parties with a general overview of the City of St. Petersburg's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, P.O. Box 2842, St. Petersburg, Florida 33731-2842, or telephone (727) 892-5113. This report will be available on the City's web site at [www.stpete.org](http://www.stpete.org).



# **BASIC FINANCIAL STATEMENTS**

**City of St. Petersburg, Florida**  
**Statement of Net Position**  
**September 30, 2017**

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	<b>Component Unit</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 68,483,130	\$ 22,460,022	\$ 90,943,152	\$ 15,330
Investments	255,185,221	144,627,608	399,812,829	55,186
Receivables - Net of Allowance for Uncollectibles	19,180,345	20,354,723	39,535,068	-
Internal Balances	24,056,939	(24,056,939)	-	-
Due from Other Governmental Agencies	13,879,989	14,963,944	28,843,933	-
Inventories	1,395,315	1,358,928	2,754,243	-
Property Held for Resale	3,979,685	-	3,979,685	-
Prepays and Deposits	3,589,667	21,263	3,610,930	-
Contract Receivable from Other Governmental Agency	-	13,881,925	13,881,925	-
Restricted Assets:				
Cash and Cash Equivalents	80,675,545	22,016,598	102,692,143	-
Investments	28,958,128	64,128,684	93,086,812	-
Net Pension Asset	22,485,356	-	22,485,356	-
Capital Assets, Not Depreciable:				
Land	120,614,642	29,789,081	150,403,723	-
Construction in progress	18,029,480	86,147,961	104,177,441	-
Capital Assets, Depreciable, Net:				
Buildings and Systems	63,389,425	144,707,939	208,097,364	-
Improvements other than Buildings	149,576,805	24,229,078	173,805,883	-
Machinery and Equipment	25,737,560	17,381,858	43,119,418	-
Utility Systems	-	611,828,146	611,828,146	-
<b>Total Assets</b>	<b>899,217,232</b>	<b>1,193,840,819</b>	<b>2,093,058,051</b>	<b>70,516</b>
<b>Deferred Outflows of Resources</b>				
Deferred Amount on Debt Refunding	748,171	8,285,809	9,033,980	-
Deferred Outflow of Pension Resources	58,623,103	11,646,709	70,269,812	-
<b>Total Deferred Outflows of Resources</b>	<b>59,371,274</b>	<b>19,932,518</b>	<b>79,303,792</b>	<b>-</b>
<b>Liabilities</b>				
Accounts Payable and Other Current Liabilities	22,756,824	26,303,673	49,060,497	-
Accrued Interest Payable	237,027	8,132,779	8,369,806	-
Due to Other Governmental Agencies	4,203,341	2,467,964	6,671,305	-
Unearned Revenue	1,628,288	32,545	1,660,833	-
Deposits	9,294,660	1,879,790	11,174,450	-
Liabilities Payable from Restricted Assets:				
Noncurrent Liabilities:				
Due within One Year	18,749,088	11,845,823	30,594,911	-
Due in more than One Year	195,980,771	463,867,763	659,848,534	-
Net Pension Liability	72,872,846	17,830,386	90,703,232	-
OPEB liability	63,654,929	17,104,073	80,759,002	-
<b>Total Liabilities</b>	<b>389,377,774</b>	<b>549,464,796</b>	<b>938,842,570</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows of Pension Resources	8,710,961	2,309,186	11,020,147	-
<b>Total Deferred Inflows of Resources</b>	<b>8,710,961</b>	<b>2,309,186</b>	<b>11,020,147</b>	<b>-</b>
<b>Net Position</b>				
Net Investment in Capital Assets	338,458,935	504,565,046	843,023,981	-
Restricted for:				
Expendable				
Public Works - Transportation Projects	13,861,538	-	13,861,538	-
Police Programs	1,251,540	-	1,251,540	-
Grant Funded Programs	3,885,095	-	3,885,095	-
Debt Service	9,401,821	14,750,889	24,152,710	-
Nonexpendable				
Culture and Recreation	430,455	-	430,455	-
Unrestricted	193,210,387	142,683,420	335,893,807	70,516
<b>Total Net Position</b>	<b>\$ 560,499,771</b>	<b>\$ 661,999,355</b>	<b>\$ 1,222,499,126</b>	<b>\$ 70,516</b>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
**Statement of Activities**  
**Fiscal Year Ended September 30, 2017**

Functions/Programs Activities	Program Revenues					Net Revenues (Expenses) and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Governmental Activities	Business-type Activities	Total	Component Unit
<b>Primary Government:</b>									
Governmental Activities:									
General Government	\$ 41,180,855	\$ 26,180,815	\$ 322,586	\$ 4,300,000	\$ 30,803,401	\$ (10,377,454)	\$ -	\$ (10,377,454)	\$ -
Community and Economic Development	20,530,929	10,890,299	520,926	1,899,249	13,310,474	(7,220,455)	-	(7,220,455)	-
Police	114,930,124	4,931,788	267,026	-	5,198,814	(109,731,310)	-	(109,731,310)	-
Fire and EMS	43,254,689	13,365,978	514,351	-	13,880,329	(29,374,360)	-	(29,374,360)	-
Public Works, Streets and Facilities	31,828,229	1,086,202	1,286,426	218,629	2,591,257	(29,236,972)	-	(29,236,972)	-
Recreation, Culture and Social	54,966,996	6,426,171	7,606,224	53,704	14,086,099	(40,880,897)	-	(40,880,897)	-
Interest on Long-Term Debt	2,501,068	-	-	-	-	(2,501,068)	-	(2,501,068)	-
<b>Total Governmental Activities</b>	<b>309,192,890</b>	<b>62,881,253</b>	<b>10,517,539</b>	<b>6,471,582</b>	<b>79,870,374</b>	<b>(229,322,516)</b>	<b>-</b>	<b>(229,322,516)</b>	<b>-</b>
Business-type Activities:									
Water and Waste Water Utility	115,296,480	122,493,193	2,761,167	-	125,254,360	-	9,957,880	9,957,880	-
Stormwater Utility	15,786,948	15,654,513	85,968	1,017,448	16,757,929	-	970,981	970,981	-
Sanitation	41,660,758	43,760,762	350,954	104,966	44,216,682	-	2,555,924	2,555,924	-
Tropicana Field	6,277,185	1,359,840	-	-	1,359,840	-	(4,917,345)	(4,917,345)	-
Airport	1,546,366	1,137,980	-	379,166	1,517,146	-	(29,220)	(29,220)	-
Port	1,026,277	88,260	-	61,434	149,694	-	(876,583)	(876,583)	-
Marina	3,512,662	3,783,870	864	-	3,784,734	-	272,072	272,072	-
Golf Courses	3,777,731	2,852,478	15,678	-	2,868,156	-	(909,575)	(909,575)	-
Jamestown Complex	1,143,617	583,266	-	-	583,266	-	(560,351)	(560,351)	-
Parking	6,056,754	7,637,068	-	-	7,637,068	-	1,580,314	1,580,314	-
Mahaffey	2,448,161	146,434	314,004	-	460,438	-	(1,987,723)	(1,987,723)	-
Pier	22,944	-	-	-	-	-	(22,944)	(22,944)	-
Coliseum	868,837	659,576	-	-	659,576	-	(209,261)	(209,261)	-
Sunken Gardens	1,543,866	1,354,252	1,143	-	1,355,395	-	(188,471)	(188,471)	-
<b>Total Business-type Activities</b>	<b>200,968,586</b>	<b>201,511,492</b>	<b>3,529,778</b>	<b>1,563,014</b>	<b>206,604,284</b>	<b>-</b>	<b>5,635,698</b>	<b>5,635,698</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 510,161,476</b>	<b>\$ 264,392,745</b>	<b>\$ 14,047,317</b>	<b>\$ 8,034,596</b>	<b>\$ 286,474,658</b>	<b>(229,322,516)</b>	<b>5,635,698</b>	<b>(223,686,818)</b>	<b>-</b>
<b>Component Unit</b>									
St Petersburg Health Facilities Authority	733	-	-	-	-	-	-	-	(733)
<b>Total Component Unit</b>	<b>733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(733)</b>
General Revenues:									
Taxes									
Property Tax, Levied for general purposes						104,481,680	-	104,481,680	-
Public Service Tax						27,645,800	-	27,645,800	-
Occupational Tax						2,500,872	-	2,500,872	-
Franchise Tax						18,852,631	-	18,852,631	-
Intergovernmental									
Communication Service Tax						9,620,042	-	9,620,042	-
Sales Tax						18,172,690	-	18,172,690	-
Local Option Sales Surtax						25,257,535	-	25,257,535	-
State Tax Revenue Sharing (unrestricted)						9,661,911	-	9,661,911	-
Gasoline Tax						3,544,665	-	3,544,665	-
Tax Increment						6,223,820	-	6,223,820	-
Miscellaneous Taxes						734,050	-	734,050	-
Earnings on investments						5,603,689	6,423,501	12,027,190	392
Gain on sale of capital assets						854,912	202,994	1,057,906	-
Miscellaneous income						942,413	506,680	1,449,093	-
Transfers						(3,428,315)	3,428,315	-	-
<b>Total General Revenues and Transfers</b>						<b>230,668,395</b>	<b>10,561,490</b>	<b>241,229,885</b>	<b>392</b>
Change in Net Position						1,345,879	16,197,188	17,543,067	(341)
<b>Net Position - October 1</b>						<b>559,153,892</b>	<b>645,802,167</b>	<b>1,204,956,059</b>	<b>70,857</b>
<b>Net Position - September 30</b>						<b>\$ 560,499,771</b>	<b>\$ 661,999,355</b>	<b>\$ 1,222,499,126</b>	<b>\$ 70,516</b>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2017**

	<b>Major Funds</b>		
	<b>General Fund</b>	<b>Community Redevelopment Districts</b>	<b>Downtown Redevelopment District</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 12,428,566	\$ 757,362	\$ 1,286,680
Investments	42,430,813	4,071,106	21,068,646
Restricted Cash	-	-	-
Restricted Investments	-	-	-
Receivables:			
Accounts	1,276,013	-	-
Taxes	4,578,680	-	-
Accrued Interest	-	-	-
Notes	-	-	-
Assessments	56,108	-	-
Due from Other Funds	1,101,484	-	-
Due from Other Governmental Agencies:			
Grants and Cost Reimbursement	435,601	-	-
State of Florida - Shared Revenue	4,094,813	-	-
Pinellas County - Shared Revenue	582,259	-	-
Pinellas County - Services	59,484	-	-
Pinellas County - Fines	48,987	-	-
Inventory	66,615	-	-
Prepaid Costs and Deposits	1,156,357	-	-
Advances to Other Funds	7,819,613	-	-
<b>Total Assets</b>	<b>76,135,393</b>	<b>4,828,468</b>	<b>22,355,326</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>			
<b>Liabilities</b>			
Vouchers and Accounts Payable	2,287,153	-	-
Accrued Salaries	6,373,573	-	-
Other Accrued Liabilities	1,325	-	-
Retainage on Contracts	-	-	-
Due to Other Governmental Agencies	225,529	-	-
Due to Other Funds	-	-	-
Deposits	586,781	-	-
<b>Total Liabilities</b>	<b>9,474,361</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflows from Assessments	18,581	-	-
Deferred Inflows from Notes Receivable	-	-	-
Deferred Inflows from Advanced Grant Receipts	224,048	-	-
Deferred Inflows from Future Revenues	2,116,867	-	-
<b>Total Deferred Inflows of Resources</b>	<b>2,359,496</b>	<b>-</b>	<b>-</b>
<b>Fund Balances</b>			
Non-Spendable	9,042,585	-	-
Restricted	-	4,828,468	22,355,326
Committed	32,104,733	-	-
Assigned	-	-	-
Unassigned	23,154,218	-	-
<b>Total Fund Balances</b>	<b>64,301,536</b>	<b>4,828,468</b>	<b>22,355,326</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 76,135,393</b>	<b>\$ 4,828,468</b>	<b>\$ 22,355,326</b>

The accompanying notes are an integral part of these statements.

Major Funds				
Local Option Sales Surtax Improvement	General Capital Improvements	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ 19,862,583	\$ 9,044,008	\$ 694,960	\$ 9,873,281	\$ 53,947,440
46,153,719	-	845,222	45,970,467	160,539,973
-	71,273,724	-	9,401,821	80,675,545
-	28,958,128	-	-	28,958,128
23,541	-	403,359	346,601	2,049,514
-	-	-	-	4,578,680
-	198,824	-	-	198,824
-	-	5,092,033	6,612,911	11,704,944
-	-	-	-	56,108
-	-	-	-	1,101,484
-	4,075,514	490,940	18,910	5,020,965
-	-	-	-	4,094,813
4,046,843	-	-	-	4,629,102
-	-	-	10,421	69,905
-	-	-	3,543	52,530
-	-	-	-	66,615
-	-	1,270	71,975	1,229,602
-	-	-	-	7,819,613
<u>70,086,686</u>	<u>113,550,198</u>	<u>7,527,784</u>	<u>72,309,930</u>	<u>366,793,785</u>
3,016,262	3,096,220	98,912	968,032	9,466,579
96,105	25,618	8,713	584,094	7,088,103
-	-	215,374	57,532	274,231
895,623	402,100	-	83,658	1,381,381
22,840	-	-	504,886	753,255
-	174,479	-	307,640	482,119
-	-	-	182,891	769,672
<u>4,030,830</u>	<u>3,698,417</u>	<u>322,999</u>	<u>2,688,733</u>	<u>20,215,340</u>
-	-	-	-	18,581
-	-	5,092,033	6,612,911	11,704,944
-	-	-	-	224,048
23,541	-	398,646	231,478	2,770,532
<u>23,541</u>	<u>-</u>	<u>5,490,679</u>	<u>6,844,389</u>	<u>14,718,105</u>
-	-	1,270	502,430	9,546,285
66,032,315	100,231,852	1,712,836	34,570,892	229,731,689
-	4,191,582	-	11,565,726	47,862,041
-	5,428,347	-	16,137,760	21,566,107
-	-	-	-	23,154,218
<u>66,032,315</u>	<u>109,851,781</u>	<u>1,714,106</u>	<u>62,776,808</u>	<u>331,860,340</u>
<u>\$ 70,086,686</u>	<u>\$ 113,550,198</u>	<u>\$ 7,527,784</u>	<u>\$ 72,309,930</u>	<u>\$ 366,793,785</u>





**City of St. Petersburg, Florida**  
*Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
September 30, 2017*

Difference in amounts reported for governmental activities in the Statement of Net Position:

Fund balances - total governmental funds	\$ 331,860,340
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.	366,334,994
Property held for resale in governmental activities are not financial resources and are therefore not reported in governmental funds.	3,979,685
Net pension assets in governmental activities are not financial resources and are therefore not reported in governmental funds.	22,485,356
Certain deferred outflows of resources are not available to pay current period expenditures and therefore are not reported in the funds.	
Deferred amount on debt refunding	748,171
Deferred outflow of resources related to pension plans	58,623,103
Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	
Notes receivable	11,619,170
Assessments	18,581
Unbilled accrued interest on assessments	91,215
Accounts Receivable	349,018
Certain liabilities and deferred inflows of resources are not due and payable in the current period and therefore are not reported in the funds.	
Bonds payable	(70,650,000)
Unamortized bond premium	(3,967,721)
Notes payable	(65,251,000)
Contingent Liability	(1,525,947)
HUD Liability	(2,240,615)
Compensated absences	(14,618,832)
OPEB Liability	(58,185,331)
Accrued interest payable on notes and bonds	(237,027)
Police Supplemental Payments Liability	(1,174,000)
Net Pension Liability	(72,872,846)
Deferred inflow of resources related to pension plans	(8,710,961)
The assets and liabilities of the Internal Service Funds (funds used to charge the costs of certain activities to individual funds) are included in governmental activities in the Statement of Net Position.	
Net Position from fund statement	48,206,457
Consolidation adjustment to enterprise funds	15,617,961
Net Position of Governmental Activities.	<u>\$ 560,499,771</u>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**Fiscal Year Ended September 30, 2017**

	Major Funds		
	General Fund	Community Redevelopment Districts	Downtown Redevelopment District
<b>Revenues</b>			
Taxes	\$ 125,835,183	\$ -	\$ -
Public Service Tax	27,645,800	-	-
Licenses and Permits	367,923	-	-
Fines and Forfeitures	2,607,673	-	-
Charges for Services and User Fees	13,465,817	-	-
Charges for General Administration	7,052,832	-	-
Intergovernmental Revenue:			
Federal, State and Other Grants	3,722,119	-	-
State - Sales Tax	16,172,686	-	-
State - Revenue Sharing	10,074,186	-	-
State - Communication Service Tax	9,620,042	-	-
State - Other	656,902	-	-
Pinellas County - Gasoline Tax	3,544,665	-	-
Pinellas County - Sales Tax	-	-	-
Pinellas County - Tax Increment	-	966,758	5,257,062
Pinellas County - Other	57,115	-	-
Total	43,847,715	966,758	5,257,062
Use of Money and Property:			
Earnings on Investments	994,356	37,908	127,906
Rentals	771,778	-	-
Total	1,766,134	37,908	127,906
Miscellaneous:			
Contributions	505,159	-	-
Assessments	24,784	-	-
Dispositions of Property	98,202	-	-
Settlement Revenues	13,389	-	-
Other	366,099	-	-
Total	1,007,633	-	-
<b>Total Revenues</b>	223,596,710	1,004,666	5,384,968
<b>Expenditures</b>			
Current Operations:			
General Government	23,212,713	-	-
Community and Economic Development	12,232,240	-	-
Public Works	11,033,049	-	-
Public Safety:			
Police	105,094,602	-	-
Fire and EMS	31,838,391	-	-
Recreation, Culture and Social	43,399,999	-	-
Debt Service:			
Principal Payments	-	-	-
Interest Payments	-	-	-
Remarketing and Other Fees	-	-	-
Capital Outlay	2,298,859	-	-
<b>Total Expenditures</b>	229,109,853	-	-
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(5,513,143)	1,004,666	5,384,968
<b>Other Financing Sources (Uses)</b>			
Transfers In	18,560,975	1,302,555	7,434,899
Transfers Out	(11,160,954)	(2,219,202)	(5,988,906)
Issuance of Refunding Debt	-	-	-
<b>Total Other Financing Sources (Uses)</b>	7,400,021	(916,647)	1,445,993
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	1,886,878	88,019	6,830,961
<b>Fund Balances - October 1</b>	62,414,658	4,740,449	15,524,365
<b>Fund Balances - September 30</b>	\$ 64,301,536	\$ 4,828,468	\$ 22,355,326

The accompanying notes are an integral part of these statements.

Major Funds				
Local Option Sales Surtax Improvement	General Capital Improvements	Grants	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 125,835,183
-	-	-	-	27,645,800
-	-	-	6,452,050	6,819,973
-	-	-	981,466	3,589,139
-	-	-	13,377,771	26,843,588
-	-	-	-	7,052,832
-	3,399,969	2,803,262	1,834,897	11,760,247
-	-	-	2,000,004	18,172,690
-	-	-	-	10,074,186
-	-	-	-	9,620,042
-	-	-	31,670	688,572
-	-	-	-	3,544,665
25,257,535	-	-	-	25,257,535
-	-	-	-	6,223,820
4,300,000	-	-	95,463	4,452,578
29,557,535	3,399,969	2,803,262	3,962,034	89,794,335
534,562	670,852	48,055	2,324,839	4,738,478
-	-	29,157	-	800,935
534,562	670,852	77,212	2,324,839	5,539,413
-	-	-	235,972	741,131
-	-	-	902,804	927,588
-	-	76,914	9,165	184,281
-	-	-	-	13,389
-	-	281,214	763,508	1,410,821
-	-	358,128	1,911,449	3,277,210
30,092,097	4,070,821	3,238,602	29,009,609	296,397,473
-	-	-	55,384	23,268,097
-	-	127	5,152,503	17,384,870
-	-	2,453	1,020	11,036,522
-	-	-	434,291	105,528,893
-	-	-	12,485,077	44,323,468
-	-	2,694,070	2,304,738	48,398,807
-	-	-	5,242,000	5,242,000
-	-	-	2,692,537	2,692,537
-	-	-	148,888	148,888
26,751,980	12,952,100	-	3,660,816	45,663,755
26,751,980	12,952,100	2,696,650	32,177,254	303,687,837
3,340,117	(8,881,279)	541,952	(3,167,645)	(7,290,364)
457,900	54,210,055	-	9,299,720	91,266,104
(1,163,229)	(205,381)	(303,460)	(51,646,237)	(72,687,369)
-	-	-	55,180,000	55,180,000
(705,329)	54,004,674	(303,460)	12,833,483	73,758,735
2,634,788	45,123,395	238,492	9,665,838	66,468,371
63,397,527	64,728,386	1,475,614	53,110,970	265,391,969
\$ 66,032,315	\$ 109,851,781	\$ 1,714,106	\$ 62,776,808	\$ 331,860,340

**City of St. Petersburg, Florida**  
*Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of the Governmental Activities to the  
Statement of Activities*  
Fiscal Year Ended September 30, 2017

Difference in amounts reported for governmental activities in the Statement of Activities:

Net change in fund balances - total governmental funds	\$ 66,468,371
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position, and capital assets transferred from/to other funds and net book value of capital asset dispositions that are reported in the Statement of Activities but do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds	30,385,501
Property held for resale, reported as expenditures in governmental funds, is shown as an asset in the Statement of Net Position.	3,617,916
Property held for resale, recorded at lower of cost or market	(1,929,606)
Depreciation expense on governmental capital assets included in the governmental activities in the Statement of Net Position.	(18,988,108)
Repayment of long-term debt is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the Statement of Net Position.	5,242,000
Issuance of long-term debt is reported as an other financing source in governmental funds, but as an increase of long-term liabilities in the Statement of Net Position.	(55,180,000)
The net revenues of the internal service funds (funds used to charge the costs of certain activities to individual funds) are reported with governmental activities.	(16,524,191)
Some governmental revenues will not be collected for several months or years after the fiscal year and are deferred in the governmental funds.	
Notes receivable principal collected	(1,171,967)
Notes receivable deemed uncollectible, change in allowance and written off	(3,824,843)
Assessments receivable principal	(26,303)
Unbilled accrued interest on assessments	(534)
Notes receivable from economic development activity	3,821,234
Contribution amortization on contingent liability	37,218
Accounts Receivable	(50,661)
Certain items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.	
Compensated absences	(1,630,576)
OPEB expense	(6,014,557)
Interest expense on long-term debt	32,600
Amortization of gain on debt refunding	(165,119)
Amortization of unamortized bond discount	472,876
Police Supplemental Payments Liability	(12,000)
Change in net pension liability/net pension asset	(4,663,309)
Deferred inflow of pension plan resources	3,960,431
Deferred outflow of pension plan resources	(2,510,494)
Changes in net position of governmental activities	<u>\$ 1,345,879</u>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
**Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**Fiscal Year Ended September 30, 2017**

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
<b>Revenues</b>				
Taxes	\$ 125,954,286	\$ 125,954,286	\$ 125,835,183	\$ (119,103)
Public Service Tax	26,866,000	26,866,000	27,645,800	779,800
Licenses and Permits	432,000	432,000	367,923	(64,077)
Fines and Forfeitures	2,730,550	2,730,550	2,607,673	(122,877)
Charges for Services and User Fees	12,925,902	12,955,901	13,465,817	509,916
Charges for General Administration	7,052,821	7,052,821	7,052,832	11
Intergovernmental Revenues				
Federal, State, Other Grants	2,872,702	3,920,472	3,722,119	(198,353)
State - Sales Tax	16,570,000	16,570,000	16,172,686	(397,314)
State - Revenue Sharing	9,069,839	9,069,839	10,074,186	1,004,347
State - Communication Service Tax	9,350,000	9,350,000	9,620,042	270,042
State - Other	575,000	575,000	656,902	81,902
Pinellas County - Gasoline Tax	3,000,000	3,000,000	3,544,665	544,665
Pinellas County - Other	-	-	57,115	57,115
Use of Money and Property				
Earnings on Investments	1,427,100	1,427,100	1,655,038	227,938
Rentals	465,697	465,697	771,778	306,081
Miscellaneous:				
Contributions	24,610	317,619	505,159	187,540
Assessments Dispositions of Property Other	50,000	50,000	24,784	(25,216)
	10,000	10,000	98,202	88,202
	487,468	487,468	379,488	(107,980)
<b>Total Revenues</b>	<b>219,863,975</b>	<b>221,234,753</b>	<b>224,257,392</b>	<b>3,022,639</b>
<b>Expenditures</b>				
General Government Administration	22,361,015	26,348,038	23,025,902	3,322,136
City Development Administration	7,903,089	11,859,140	9,906,669	1,952,471
Public Works Administration	10,282,890	14,189,305	14,288,329	(99,024)
Public Safety Administration				
Police	102,162,537	105,773,363	105,624,061	149,302
Fire and EMS	30,382,633	31,991,143	31,983,675	7,468
Leisure Services Administration	40,985,535	43,002,423	43,046,164	(43,741)
Neighborhood Affairs Administration	6,776,079	7,622,820	6,269,825	1,352,995
Contingency	4,553,033	207	-	207
<b>Total Expenditures</b>	<b>225,406,811</b>	<b>240,786,439</b>	<b>234,144,625</b>	<b>6,641,814</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(5,542,836)</b>	<b>(19,551,686)</b>	<b>(9,887,233)</b>	<b>9,664,453</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	18,773,351	18,829,684	18,560,975	(268,709)
Transfers Out	(11,468,233)	(15,955,733)	(11,160,954)	4,794,779
<b>Total Other Financing Sources (Uses)</b>	<b>7,305,118</b>	<b>2,873,951</b>	<b>7,400,021</b>	<b>4,526,070</b>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<b>1,762,282</b>	<b>(16,677,735)</b>	<b>(2,487,212)</b>	<b>14,190,523</b>
<b>Budgetary Fund Balances - October 1</b>	<b>54,045,381</b>	<b>54,045,381</b>	<b>54,045,381</b>	<b>-</b>
Reserve for Encumbrances - October 1, 2016	-	3,025,589	3,025,589	-
Change in Reserve for Prepaid Costs and Inventory	-	-	(374,720)	(374,720)
Change in Advances with other Funds	-	-	(4,049,380)	(4,049,380)
<b>Budgetary Fund Balances - September 30</b>	<b>\$ 55,807,663</b>	<b>\$ 40,393,235</b>	<b>50,159,658</b>	<b>\$ 9,766,423</b>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			5,034,306	
Current Year Advances with other Funds			7,819,613	
Reserve for Prepaid Costs and Inventory			1,222,972	
Net Change in Fair Value of Investments			64,987	
<b>Fund Balance - September 30</b>			<b>\$ 64,301,536</b>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Major Special Revenue Funds**  
**Community Redevelopment Districts**  
**Fiscal Year Ended September 30, 2017**

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Pinellas County - Tax Increment	\$ 974,480	\$ 974,480	\$ 966,758	\$ (7,722)
Earnings in Investments	61,000	61,000	75,803	14,803
<b>Total Revenues</b>	<u>1,035,480</u>	<u>1,035,480</u>	<u>1,042,561</u>	<u>7,081</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,304,901	1,304,901	1,302,555	(2,346)
Transfers Out	-	(2,223,422)	(2,219,202)	4,220
<b>Total Other Financing Sources (Uses)</b>	<u>1,304,901</u>	<u>(918,521)</u>	<u>(916,647)</u>	<u>1,874</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>2,340,381</u>	<u>116,959</u>	<u>125,914</u>	<u>8,955</u>
<b>Budgetary Fund Balances - October 1</b>	4,689,495	4,689,495	4,689,495	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 7,029,876</u>	<u>\$ 4,806,454</u>	<u>4,815,409</u>	<u>\$ 8,955</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			13,059	
<b>Fund Balance - September 30</b>			<u>\$ 4,828,468</u>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Major Special Revenue Funds**  
**Downtown Redevelopment District**  
**Fiscal Year Ended September 30, 2017**

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Pinellas County - Tax Increment	\$ 5,274,337	\$ 5,274,337	\$ 5,257,062	\$ (17,275)
Earnings in Investments	165,000	165,000	288,425	123,425
<b>Total Revenues</b>	<u>5,439,337</u>	<u>5,439,337</u>	<u>5,545,487</u>	<u>106,150</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>5,439,337</u>	<u>5,439,337</u>	<u>5,545,487</u>	<u>106,150</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	7,459,332	7,459,332	7,434,899	(24,433)
Transfers Out	(6,021,727)	(6,021,727)	(5,988,906)	32,821
<b>Total Other Financing Sources (Uses)</b>	<u>1,437,605</u>	<u>1,437,605</u>	<u>1,445,993</u>	<u>8,388</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>6,876,942</u>	<u>6,876,942</u>	<u>6,991,480</u>	<u>114,538</u>
<b>Budgetary Fund Balances - October 1</b>	15,296,274	15,296,274	15,296,274	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 22,173,216</u>	<u>\$ 22,173,216</u>	<u>22,287,754</u>	<u>\$ 114,538</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			67,572	
<b>Fund Balance - September 30</b>			<u>\$ 22,355,326</u>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Major Special Revenue Funds**  
**Grants**  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Federal, State and Other Grants	\$ 2,421,382	\$ 6,409,978	\$ 2,803,262	\$ 3,606,716
Earnings in Investments	78,000	78,000	57,812	20,188
Rentals	20,000	20,000	29,157	(9,157)
Disposition of Property	347,000	347,000	76,914	270,086
Other	196,000	196,000	281,214	(85,214)
<b>Total Revenues</b>	<u>3,062,382</u>	<u>7,050,978</u>	<u>3,248,359</u>	<u>3,802,619</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	-	-	127	(127)
Public Works	-	-	2,451	(2,451)
Recreation, Culture and Social	2,802,916	7,234,151	2,997,529	4,236,622
<b>Total Expenditures</b>	<u>2,802,916</u>	<u>7,234,151</u>	<u>3,000,107</u>	<u>4,234,044</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>259,466</u>	<u>(183,173)</u>	<u>248,252</u>	<u>(431,425)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(303,466)	(303,466)	(303,460)	(6)
<b>Total Other Financing Sources (Uses)</b>	<u>(303,466)</u>	<u>(303,466)</u>	<u>(303,460)</u>	<u>(6)</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>(44,000)</u>	<u>(486,639)</u>	<u>(55,208)</u>	<u>(431,431)</u>
<b>Budgetary Fund Balances - October 1</b>	982,067	982,067	982,067	-
Reserve for Encumbrances - October 1, 2016	-	474,500	474,500	-
Change in Reserve for Prepaid Costs and Inventory	-	-	5,312	(5,312)
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 938,067</u>	<u>\$ 969,928</u>	<u>1,406,671</u>	<u>\$ (436,743)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			303,458	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			1,268	
Net Change in Fair Value of Investments			2,709	
<b>Fund Balance - September 30</b>			<u>\$ 1,714,106</u>	

The accompanying notes are an integral part of these statements.





**City of St. Petersburg, Florida**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2017**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Assets</b>			
Current assets:			
Cash and Cash Equivalents	\$ 15,676,854	\$ 1,849,449	\$ 1,383,973
Investments	114,705,204	7,754,367	15,149,896
Receivables (Net, where applicable, of Allowances for Uncollectibles):			
Accounts	7,465,419	873,537	2,499,204
Accrued Interest	1,529,064	-	-
Unbilled Revenues	4,088,820	-	119,183
Due from Other Governmental Agencies:			
Grants	10,155,820	1,328,494	33,828
Services	3,367,321	-	-
Contracts	976,294	-	-
Inventories	1,028,886	23,220	57,145
Prepaid Expenses and Deposits	-	-	-
<b>Total Current Assets</b>	<b>158,993,682</b>	<b>11,829,067</b>	<b>19,243,229</b>
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	20,417,051	544,143	1,055,404
Restricted Investments	61,500,000	-	220,876
Assessments (Net of Uncollectible)	3,320	-	3,176,396
Contract Receivable from Other Governmental Agency	12,905,631	-	-
Capital Assets:			
Land	4,332,342	4,376,053	213,944
Buildings	14,246,973	-	618,198
Improvements	2,953,538	25,345,178	115,372
Machinery and Equipment	16,898,017	11,203,456	26,199,196
Utility Systems	852,774,694	185,330,317	-
Projects in Progress	70,496,468	1,089,740	-
Accumulated Depreciation	(378,344,568)	(100,706,499)	(20,850,474)
<b>Total Capital Assets</b>	<b>583,357,464</b>	<b>126,638,245</b>	<b>6,296,236</b>
<b>Total Noncurrent Assets</b>	<b>678,183,466</b>	<b>127,182,388</b>	<b>10,748,912</b>
<b>Total Assets</b>	<b>837,177,148</b>	<b>139,011,455</b>	<b>29,992,141</b>
<b>Deferred Outflows of Resources</b>			
Deferred Amount on Debt Refunding	7,893,331	392,478	-
Deferred Outflows of Pension Resources	5,946,348	1,226,660	3,456,950
<b>Total Deferred Outflows of Resources</b>	<b>13,839,679</b>	<b>1,619,138</b>	<b>3,456,950</b>

The accompanying notes are an integral part of these statements.

<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
<b>Tropicana Field</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	
\$ 663,965	\$ 2,885,781	\$ 22,460,022	\$ 14,535,690
179,988	6,838,153	144,627,608	94,645,248
88,443	511,377	11,437,980	1,380,060
-	-	1,529,064	-
-	-	4,208,003	-
-	78,441	11,596,583	-
-	-	3,367,321	12,674
-	-	976,294	-
-	249,677	1,358,928	1,328,700
-	21,263	21,263	2,360,065
932,396	10,584,692	201,583,066	114,262,437
-	-	22,016,598	-
-	2,407,808	64,128,684	-
-	-	3,179,716	-
-	-	12,905,631	-
8,523,858	12,342,884	29,789,081	1,846,640
151,640,084	103,776,412	270,281,667	15,123,620
5,462,601	54,774,334	88,651,023	3,093,519
8,657,721	7,964,595	70,922,985	11,594,604
-	-	1,038,105,011	-
-	14,561,753	86,147,961	290,752
(91,080,424)	(78,831,700)	(669,813,665)	(20,936,217)
83,203,840	114,588,278	914,084,063	11,012,918
83,203,840	116,996,086	1,016,314,692	11,012,918
84,136,236	127,580,778	1,217,897,758	125,275,355
-	-	8,285,809	-
-	1,016,751	11,646,709	-
-	1,016,751	19,932,518	-

**City of St. Petersburg, Florida**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2017**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Liabilities</b>			
Current Liabilities:			
Vouchers and Accounts Payable	\$ 18,795,642	\$ 226,046	\$ 486,623
Accrued Salaries	1,071,074	246,245	607,933
Accrued Annual Leave	109,651	3,595	50,770
Retainage on Contracts	3,650,777	172,677	-
Due to Other Funds	-	-	-
Due to Other Governmental Agencies	1,652,757	-	757,424
Claims - Current Portion	-	-	-
Notes Payable - Current Portion	1,940,563	-	-
Payable from Restricted Assets:			
Bonds and Notes Payable - Current Portion	7,525,000	370,000	1,250,000
Accrued Interest	7,897,295	174,143	26,280
Other Current Liabilities	-	-	-
Deposits	1,110,521	-	2,000
Unearned Revenue	-	-	-
<b>Total Current Liabilities</b>	<b>43,753,280</b>	<b>1,192,706</b>	<b>3,181,030</b>
Long-term Liabilities:			
Advance from Other Funds	3,800,000	-	-
Accrued Annual Leave less Current Portion	2,006,087	362,582	1,199,283
Notes Payable - State	31,598,595	-	-
Revenue Bonds Payable	387,468,000	19,532,000	-
Claims	-	-	-
Net Pension Liability	9,103,489	1,877,940	5,292,376
Obligation for OPEB	8,017,453	1,490,000	5,179,378
Unamortized Discount (Premium)	13,874,861	-	-
Notes Payable	-	-	2,400,000
<b>Total Long-term Liabilities</b>	<b>455,868,485</b>	<b>23,262,522</b>	<b>14,071,037</b>
<b>Total Liabilities</b>	<b>499,621,765</b>	<b>24,455,228</b>	<b>17,252,067</b>
<b>Deferred Inflows of Resources</b>			
Deferred Inflows of Pension Resources	1,178,980	243,209	685,408
<b>Total Deferred Inflows of Resources</b>	<b>1,178,980</b>	<b>243,209</b>	<b>685,408</b>
<b>Net Position</b>			
Net Investment in Capital Assets	200,130,161	107,128,723	2,646,236
Restricted			
Debt Service	14,750,889	-	-
Unrestricted	135,335,032	8,803,433	12,865,380
<b>Total Net Position</b>	<b>\$ 350,216,082</b>	<b>\$ 115,932,156</b>	<b>\$ 15,511,616</b>

Adjustment to reflect consolidation of Internal Service Funds Activities to Enterprise Funds.

Net Position of Business-Type Activities

The accompanying notes are an integral part of these statements.

Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
Tropicana Field	Nonmajor Enterprise Funds	Total Enterprise Funds	
\$ 29,105	\$ 754,437	\$ 20,291,853	\$ 3,740,535
-	254,947	2,180,199	794,995
-	16,244	180,260	53,536
-	8,167	3,831,621	-
86,221	533,144	619,365	-
-	57,783	2,467,964	985,423
-	-	-	12,594,978
-	-	1,940,563	-
-	580,000	9,725,000	-
-	35,061	8,132,779	-
-	-	-	11,000
-	767,269	1,879,790	8,524,988
-	32,545	32,545	-
115,326	3,039,597	51,281,939	26,705,455
-	4,019,613	7,819,613	-
-	466,355	4,034,307	1,419,845
-	-	31,598,595	-
-	-	407,000,000	-
-	-	-	43,474,000
-	1,556,581	17,830,386	-
-	2,417,242	17,104,073	5,469,598
-	-	13,874,861	-
-	4,960,000	7,360,000	-
-	13,419,791	506,621,835	50,363,443
115,326	16,459,388	557,903,774	77,068,898
-	201,589	2,309,186	-
-	201,589	2,309,186	-
83,203,840	111,456,086	504,565,046	11,012,918
-	-	14,750,889	-
817,070	480,466	158,301,381	37,193,539
\$ 84,020,910	\$ 111,936,552	677,617,316	\$ 48,206,457
		(15,617,961)	
		\$661,999,355	

**City of St. Petersburg, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended September 30, 2017**

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Operating Revenues</b>			
Sales - Water	\$ 56,238,132	\$ -	\$ -
Sales - Wastewater	65,346,817	-	-
Sales and Concessions	-	-	-
Service Charges and Fees	891,556	15,654,513	43,760,762
Fines and Forfeitures	-	-	-
Rentals and Parking	16,688	-	-
<b>Total Operating Revenues</b>	<b>122,493,193</b>	<b>15,654,513</b>	<b>43,760,762</b>
<b>Operating Expenses</b>			
Personal Services and Benefits	27,541,417	6,810,463	18,163,324
Supplies, Services and Claims	51,975,062	4,322,414	20,610,847
General Administrative Charges	2,929,164	402,336	1,200,576
Depreciation	18,433,491	4,068,860	2,055,589
<b>Total Operating Expenses</b>	<b>100,879,134</b>	<b>15,604,073</b>	<b>42,030,336</b>
<b>Operating Income (Loss)</b>	<b>21,614,059</b>	<b>50,440</b>	<b>1,730,426</b>
<b>Nonoperating Revenues (Expenses)</b>			
Intergovernmental Revenues	1,162,590	85,968	229,703
Earnings on Investments	5,081,817	67,294	446,551
Other Interest Revenue	743,172	-	-
Interest Expense	(12,885,573)	(383,769)	(52,560)
Issue Cost and Amortization of Bond Discount	(1,263,894)	-	-
Gain (Loss) on Disposition of Capital Assets	175,307	269	-
Miscellaneous Revenue	90,958	18,902	387,912
<b>Total Nonoperating Revenues (Expenses)</b>	<b>(6,895,623)</b>	<b>(211,336)</b>	<b>1,011,606</b>
<b>Income (Loss) Before Contributions and Transfers</b>	<b>14,718,436</b>	<b>(160,896)</b>	<b>2,742,032</b>
<b>Transfers and Contributions</b>			
Capital Assets from (to) Other Funds	-	1,551,119	-
Contributions from Citizens and Developers	1,598,577	-	121,251
Capital Contributions	-	1,017,448	104,966
Transfers In (Out):			
Transfers In	3,650,494	2,596,630	322,451
Transfers Out	(12,044,024)	(2,178,724)	(2,886,111)
<b>Total Transfers and Contributions</b>	<b>(6,794,953)</b>	<b>2,986,473</b>	<b>(2,337,443)</b>
<b>Change in Net Position</b>	<b>7,923,483</b>	<b>2,825,577</b>	<b>404,589</b>
<b>Net Position - October 1</b>	<b>342,292,599</b>	<b>113,106,579</b>	<b>15,107,027</b>
<b>Net Position - September 30</b>	<b>\$ 350,216,082</b>	<b>\$ 115,932,156</b>	<b>\$ 15,511,616</b>

Change in Net Position (from above)

Adjustment to reflect the consolidation of Internal Service Fund Activities related to Enterprise Funds.

Change in Net Position of Business-Type Activities.

The accompanying notes are an integral part of these statements.

**Business-Type Activities - Enterprise Funds**

<b>Tropicana Field</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Total Internal Service Funds</b>
\$ -	\$ -	\$ 56,238,132	\$ -
-	-	65,346,817	-
-	1,223,652	1,223,652	-
-	10,186,705	70,493,536	116,141,300
-	1,468,496	1,468,496	-
1,359,840	5,364,331	6,740,859	-
<u>1,359,840</u>	<u>18,243,184</u>	<u>201,511,492</u>	<u>116,141,300</u>
843,917	7,687,166	61,046,287	21,383,926
1,868,652	8,515,710	87,292,685	83,900,813
-	573,348	5,105,424	1,694,352
3,580,310	4,420,112	32,558,362	6,693,609
<u>6,292,879</u>	<u>21,196,336</u>	<u>186,002,758</u>	<u>113,672,700</u>
<u>(4,933,039)</u>	<u>(2,953,152)</u>	<u>15,508,734</u>	<u>2,468,600</u>
-	1,192	1,479,453	45,478
3,276	81,391	5,680,329	865,253
-	-	743,172	-
-	(225,484)	(13,547,386)	-
-	(76,872)	(1,340,766)	-
-	(499,550)	(323,974)	(11,106,238)
-	8,908	506,680	560,368
<u>3,276</u>	<u>(710,415)</u>	<u>(6,802,492)</u>	<u>(9,635,139)</u>
<u>(4,929,763)</u>	<u>(3,663,567)</u>	<u>8,706,242</u>	<u>(7,166,539)</u>
-	11,538,845	13,089,964	8,726
-	330,497	2,050,325	-
-	440,600	1,563,014	-
1,511,000	1,270,925	9,351,500	178,618
-	(1,904,290)	(19,013,149)	(9,095,704)
<u>1,511,000</u>	<u>11,676,577</u>	<u>7,041,654</u>	<u>(8,908,360)</u>
<u>(3,418,763)</u>	<u>8,013,010</u>	<u>15,747,896</u>	<u>(16,074,899)</u>
<u>87,439,673</u>	<u>103,923,542</u>	<u>661,869,420</u>	<u>64,281,356</u>
<u>\$ 84,020,910</u>	<u>\$ 111,936,552</u>	<u>\$ 677,617,316</u>	<u>\$ 48,206,457</u>
		\$ 15,747,896	
		449,292	
		<u>\$ 16,197,188</u>	

**City of St. Petersburg, Florida**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended September 30, 2017**

**Business-Type Activities - Enterprise Funds**

	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Cash flows from operating activities</b>			
Cash received from customers and users	\$ 120,308,898	\$ 15,429,064	\$ 43,801,058
Cash payments for interfund services provided	(17,714,363)	(5,126,873)	(12,105,840)
Cash payments to vendors for goods & services	(25,647,845)	(1,058,493)	(13,060,767)
Cash payments to employees for services	(19,924,111)	(4,809,540)	(14,274,004)
<b>Cash provided by (used for) operating activities</b>	<b>57,022,579</b>	<b>4,434,158</b>	<b>4,360,447</b>
<b>Cash flows from noncapital financing activities</b>			
Intergovernmental Revenue	1,162,590	85,968	229,703
(Payment) Receipt on Interfund Loan	3,800,000	-	-
Transfers-in	-	-	-
Transfers-out	(12,044,024)	(2,178,724)	(2,886,111)
<b>Cash provided by (used for) noncapital financing activities</b>	<b>(7,081,434)</b>	<b>(2,092,756)</b>	<b>(2,656,408)</b>
<b>Cash flows from capital &amp; related financing activities</b>			
Proceeds from issuance of debt	112,819,449	-	-
Proceeds from special assessment, net of receivable change	1,602,013	-	1,081,906
Acquisition & Construction of Capital Assets	(79,229,253)	(1,849,478)	(2,096,358)
Proceeds from sale of property, plant, equipment	-	-	-
Principal received on Notes Receivable	930,602	-	-
Bond fees and costs	(1,838,563)	-	-
Interest paid on Revenue Bonds, Note Maturities & Capital Lease	(15,186,377)	(217,678)	(61,416)
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	(8,347,466)	-	(1,230,000)
Payments to Escrow Agents - Debt Refunding	(53,015,946)	-	-
Intergovernmental Revenue	2,876,545	485,478	71,138
<b>Cash provided by (used for) capital &amp; related financing activities</b>	<b>(39,388,996)</b>	<b>(1,581,678)</b>	<b>(2,234,730)</b>
<b>Cash flows from investing activities</b>			
Purchase, Sale and Maturities of Investments, net	(24,313,890)	346,009	(1,987,899)
Interest received on investments	2,962,414	178,890	631,248
<b>Cash provided by (used for) investing activities</b>	<b>(21,351,476)</b>	<b>524,899</b>	<b>(1,356,651)</b>
<b>Net increase (decrease) in cash</b>	<b>(10,799,326)</b>	<b>1,284,623</b>	<b>(1,887,342)</b>
<b>Cash at beginning of year</b>	<b>46,893,231</b>	<b>1,108,969</b>	<b>4,326,719</b>
<b>Cash at year end</b>	<b>\$ 36,093,905</b>	<b>\$ 2,393,592</b>	<b>\$ 2,439,377</b>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>			
<b>Cash flows from operating activities</b>			
Operating Income (loss)	\$ 21,614,059	\$ 50,440	\$ 1,730,426
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	18,433,491	4,068,860	2,055,589
Amortization	(1,116,793)	(318,408)	(604,525)
Other non-operating income (loss), net	1,015,723	18,902	387,912
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	(3,458,331)	(244,351)	(347,616)
Prepays & Other Assets	(36,763)	560	(7,385)
Accounts Payable & Accrued Liabilities	17,435,955	24,012	(488,444)
Deposits	258,313	-	-
Accrued Salary, Compensated Absences and OPEB	2,876,925	834,143	1,634,490
<b>Cash provided by (used for) operating activities</b>	<b>57,022,579</b>	<b>4,434,158</b>	<b>4,360,447</b>
<b>Non-cash Investing, Capital, and Financing Activities</b>			
Contributions of Capital Assets (to)/from Other Funds	\$ 3,650,494	\$ 4,147,749	\$ 322,451
Change in Fair Value of Investments	1,710,791	(111,596)	(184,697)
SRF Loan Payable and Receivable	8,937,516	-	-
Capitalized interest	(3,214,759)	-	-
<b>Total</b>	<b>\$ 11,084,042</b>	<b>\$ 4,036,153</b>	<b>\$ 137,754</b>

The accompanying notes are an integral part of these statements.



**Business-Type Activities - Enterprise Funds**

<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Funds</b>
<b>Tropicana Field</b>	<b>Non-Major Enterprise Funds</b>	<b>Totals</b>	
\$ 1,271,397	\$ 17,840,803	\$ 198,651,220	\$ 116,510,871
(1,529,728)	(3,442,480)	(39,919,284)	(6,860,222)
(313,589)	(7,090,759)	(47,171,453)	(81,305,477)
(840,147)	(5,744,556)	(45,592,358)	(12,353,680)
<u>(1,412,067)</u>	<u>1,563,008</u>	<u>65,968,125</u>	<u>15,991,492</u>
86,221	1,192	1,565,674	45,428
-	(2,149,800)	1,650,200	-
2,336,359	892,747	3,229,106	-
<u>-</u>	<u>(1,904,290)</u>	<u>(19,013,149)</u>	<u>(4,308,134)</u>
<u>2,422,580</u>	<u>(3,160,151)</u>	<u>(12,568,169)</u>	<u>(4,262,706)</u>
-	5,735,000	118,554,449	-
-	-	2,683,919	-
(1,538,950)	(707,581)	(85,421,620)	(2,933,854)
-	-	-	741,819
-	-	930,602	-
-	(67,498)	(1,906,061)	-
-	(155,180)	(15,620,651)	-
-	(195,000)	(9,772,466)	-
-	(3,555,485)	(56,571,431)	-
<u>-</u>	<u>3,185,498</u>	<u>6,618,659</u>	<u>-</u>
<u>(1,538,950)</u>	<u>4,239,754</u>	<u>(40,504,600)</u>	<u>(2,192,035)</u>
(10,508)	(2,942,175)	(28,908,463)	(12,411,219)
<u>5,558</u>	<u>157,799</u>	<u>3,935,909</u>	<u>1,963,917</u>
<u>(4,950)</u>	<u>(2,784,376)</u>	<u>(24,972,554)</u>	<u>(10,447,302)</u>
(533,387)	188,732	(11,746,701)	(910,551)
<u>1,197,352</u>	<u>2,697,049</u>	<u>56,223,320</u>	<u>15,446,241</u>
<u>\$ 663,965</u>	<u>\$ 2,885,781</u>	<u>\$ 44,476,620</u>	<u>\$ 14,535,690</u>
\$ (4,933,039)	\$ (2,953,152)	\$ 15,508,734	\$ 2,468,600
3,580,310	4,420,112	32,558,362	6,693,609
-	(150,976)	(2,190,702)	(158,248)
-	(9,052)	1,413,485	-
(88,443)	83,012	(4,055,729)	217,350
-	72,028	28,440	(74,706)
29,105	(516,608)	16,484,020	550,005
-	80,349	338,662	310,469
<u>-</u>	<u>537,295</u>	<u>5,882,853</u>	<u>5,984,413</u>
<u>(1,412,067)</u>	<u>1,563,008</u>	<u>65,968,125</u>	<u>15,991,492</u>
\$ (825,359)	\$ 11,574,890	\$ 18,870,225	\$ (15,711,992)
(2,283)	(76,408)	1,335,807	(1,098,664)
-	-	8,937,516	-
-	-	(3,214,759)	-
<u>\$ (827,642)</u>	<u>\$ 11,498,482</u>	<u>\$ 25,928,789</u>	<u>\$ (16,810,656)</u>

**City of St. Petersburg, Florida**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**September 30, 2017**

	<b>Pension Trust Funds</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 1,878,691	\$ -
Trustee Accounts	21,651,939	-
Total Cash and Cash Equivalents	<u>23,530,630</u>	<u>-</u>
Receivables		
Interest and Dividends	1,806,625	-
Accounts	10,140	5,800
Unsettled Investment Sales	828,177	-
Total Receivables	<u>2,644,942</u>	<u>5,800</u>
Prepays and Deposits	20,754	-
Investments, at Fair Value		
DROP Investments	62,140,662	-
Government Securities	76,496,866	-
Corporate Bonds	113,524,486	-
Common and Preferred Stock	554,585,747	-
Mutual Funds	238,998,867	-
Alternative Investments	82,428,543	-
Total Investments	<u>1,128,175,171</u>	<u>-</u>
<b>Total Assets</b>	<u>1,154,371,497</u>	<u>5,800</u>
<b>Liabilities</b>		
Payables		
Accounts	21,867	-
Due to Other Entities and Individuals	-	5,800
Unsettled Investment Purchases	2,651,966	-
DROP Liability	62,140,662	-
<b>Total Liabilities</b>	<u>64,814,495</u>	<u>5,800</u>
<b>Net Position</b>		
Net Position Restricted for Pensions	1,089,557,002	-
<b>Total Net Position</b>	<u>\$ 1,089,557,002</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Funds*  
*Fiscal Year Ended September 30, 2017*

	<u><b>Pension Funds</b></u>
<b>Additions</b>	
Contributions	
Employer (Charges to Other Funds)	\$ 19,252,275
Employees	5,113,228
State Insurance Fund	3,704,803
Total Contributions	<u>28,070,306</u>
Investment Income	
Net Increase in Fair Value of Investments	98,641,036
Interest on Investments	6,007,354
Dividends on Stock	17,760,482
Total Investment Income	<u>122,408,872</u>
Less Investment Expense	<u>(3,654,363)</u>
Net Investment Income	<u>118,754,509</u>
<b>Total additions</b>	<u>146,824,815</u>
<b>Deductions</b>	
Benefits	57,891,330
Deferred Retirement Option Contributions	9,848,102
Refunds of Contributions	348,696
Administrative Expenses	98,405
<b>Total deductions</b>	<u>68,186,533</u>
<b>Change in Net Position</b>	78,638,282
<b>Net Position Restricted for Pensions - October 1</b>	<u>1,010,918,720</u>
<b>Net Position Restricted for Pensions - September 30</b>	<u>\$ 1,089,557,002</u>

The accompanying notes are an integral part of these statements.



# **NOTES TO THE FINANCIAL STATEMENTS**

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

A. Reporting Entity

The City of St. Petersburg is a municipal corporation, created under City Ordinance 118F and Florida Statute 155.05, governed by an elected eight member council. The accompanying financial statements present the City of St. Petersburg (the primary government) and its component units for which the government is considered to be financially accountable. The blended component unit discussed below is included in the City's reporting entity because of the significance of their operational or financial relationship with the City. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separated from the government. The related organization and jointly governed organization financial operations are not presented in the City's Financial Statements.

**Blended Component Unit - St. Petersburg Community Redevelopment Agency (SPCRA):**

The City Council is the governing body of the SPCRA, which was created by City Resolutions 81-1401 and 81-465, and approved by the Board of County Commissioners of Pinellas County under Chapter 163, Florida Statutes, to act as the redevelopment agency. The SPCRA board is composed of the same members of City Council therefore the City Council has absolute influence and operational responsibility over SPCRA. All revenues of the SPCRA are used in the districts to fund capital improvements within each district or to fund the debt service requirements of debt related to the downtown redevelopment improvement district. The operations of the SPCRA are reported in the Community Redevelopment Districts and Downtown Redevelopment District as Major Governmental Funds. Separate Financial Statements for the SPCRA are not available.

**Discretely Presented Component Unit - St. Petersburg Health Facilities Authority (SPHFA):**

The SPHFA was created by City Ordinance 81-49 under Chapter 154.207 Part III, of the Florida Statutes. The SPHFA exists to facilitate issuing tax-exempt debt for non-profit health care organizations. The City Council appoints the governing board. The City has no responsibility for the debt payments related to the issues approved by the SPHFA. The City's Legal Department provides administrative support to the SPHFA. The SPHFA charges the benefiting health care organizations for all costs incurred. The City funds any operating deficit of the SPHFA. The operations of the SPHFA are reported in the government-wide financial statements in a separate column. Separate financial statements for the SPHFA are not available. The SPHFA is accounted for as a single governmental fund type and uses the same applicable accounting policies the City presents in the Notes to the Financial Statements.

**Related Organization - St. Petersburg Housing Authority (SPHA):** SPHA is a public housing authority created by City Resolution 9, 1973, under Section 421.04 of the Florida Statutes. The SPHA receives primary funding from the Federal Department of Housing and Urban Development (HUD). The City Council appoints the governing board, however the City Council is not able to impose its will on the SPHA nor does the City have any responsibility for the budget, debt, financing deficits or fiscal management of the SPHA.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

Jointly Governed Organization - Tampa Bay Water Authority (TBWA): The TBWA was organized in 1998, by an inter-local agreement pursuant to Chapter 98-402 of the Florida Statutes between the counties of Hillsborough, Pasco and Pinellas and the cities of St. Petersburg, New Port Richey, and Tampa, Florida (the members). The purpose of the Authority is to develop regional water supplies and to supply water to its members at a wholesale price. The TBWA is the reorganized West Coast Regional Water Supply Authority with a governing board of nine voting members, two from each of the county governments and one from each of the city governments. The City of St. Petersburg for the fiscal year ended September 30, 2017, had a related party transaction with the TBWA as follows: The City paid \$23,464,407 for water purchases, and received \$743,172 in interest and \$930,602 of principal on the TBWA contract receivable. The remaining principal in the TBWA contract receivable is \$13,881,925.

**B. Government-Wide and Fund Financial Statements**

The basic financial statements consist of the government-wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business-type activities of the City.

Government financial statements include a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole, both the primary government and its component units, and provide a consolidated financial picture of the government. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results. The amounts reported as internal balances represent the residual amounts due between governmental and business-type activities. Fiduciary funds of the government are not included in this presentation since these resources are not available for general government funding purposes. The Statement of Net Position reports all financial and capital resources of St. Petersburg's governmental and business-type activities. It is presented in a net position format (assets plus deferred outflows less liabilities less deferred inflows equal net position) and shown with three components: net investment in capital assets; restricted net position and unrestricted net position. The Statement of Activities reports functional categories of programs provided by the City, and demonstrates how and to what degree those programs are supported by specific revenues.

Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenue restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues sections displays revenues collected that help support all functions of the government.

The fund financial statements follow and report additional and detailed information about the City of St. Petersburg's operations for major funds individually and non-major funds in the aggregate for governmental, proprietary and fiduciary funds.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

A reconciliation is provided that converts the results of governmental fund accounting to the government wide presentation.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements, as well as the fund financial statements for the proprietary funds and fiduciary funds, are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. Property tax revenue is recognized in the period for which they are levied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, wastewater and sanitation services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries and benefits, supplies, travel, contract services, depreciation, administrative expenses or other expenses directly related to costs of services. All other revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses. All intergovernmental revenues in the proprietary fund financial statements are classified as non-operating revenues in accordance with bond covenants. See the government-wide financial statements revenue categories for allocation between operating and capital related grants and contributions. In the government-wide financial statements operating grants and contributions are available to finance regular operations or capital purposes; while capital grants and contributions are only available for capital purposes.

All governmental fund financial statements are reported using a current financial resources measurement focus and a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (Within 60 days of the end of the fiscal year, except grant revenues are within 15 months, notes are within 6 months, and jointly assessed taxes collected through other governments are within 90 days). Revenue reported and measurable in the governmental funds financial statements but not yet available for use are deferred and recognized as an inflow of resources in the period that the amount becomes available.

Property taxes, franchise taxes, investment earnings and most charges for services are recorded as earned since they are measurable and available. Licenses and permits, fines and forfeitures, and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash, because they are generally not measurable until actually received.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
*September 30, 2017*

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

A significant portion of the City's grants and contracts are exchange transactions. Funds from these transactions are deemed to be earned and reported as revenue when such funds have been expended towards the designated purpose and eligibility requirements have been met.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick pay and accumulated vacation pay, which are not recorded as expenditures until they have been paid; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

The City charges centralized services through the general fund and internal service funds to functional activities through various charge methods. Therefore, expenses reported for functional activities include these indirect expenses, including an administrative component.

The accounting policies and the presentation of the financial report of the City of St. Petersburg, Florida have been designed to conform to generally accepted accounting principles (GAAP) as applicable to governmental units, in accordance with the Governmental Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles, which are primarily set forth in the GASB's Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification).

The following are reported as major governmental funds:

- The General Fund is the general operating fund of the City, accounting for all financial resources of the City, except those that are required legally or by generally accepted accounting principles to be accounted for in other funds.
- Community Redevelopment Districts Fund is used to account for tax increment revenues received from Pinellas County and the City for the Bayboro Harbor, Intown West and South St. Petersburg Community Redevelopment Districts.
- Downtown Redevelopment District Fund is used to account for tax increment revenues received from Pinellas County and the City for the Downtown Community Redevelopment District (DCRD). Transfers to debt service funds relate to DCRD debt obligations with remaining fund balances restricted to DCRD activities.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
*September 30, 2017*

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

- The Local Option Sales Surtax Improvement Fund is used to account for various construction projects including infrastructure improvements, recreation and culture improvements, public safety, and city facilities improvements. The projects are part of a program begun in 1990 and extended to 2020 that is funded by the City's share of the Pinellas County one cent local option sales surtax, "Penny for Pinellas". On February 10, 2015, the City executed an interlocal agreement with Pinellas County regarding the updated City priorities related to critical infrastructure improvement projects that should be funded with the County Penny Funds. The current agreement with Pinellas County to provide the City with "Penny for Pinellas" funding expires in fiscal year 2020. The current identified priorities for the City includes the following projects and expected timelines to complete:
  - Streetscape improvements and mast arms at signalized intersections on Central Avenue in the amount of \$4.3 million in fiscal year 2017.
  - New police department headquarters to include an Emergency Operations Center Facility and Regional 911 Center Backup Facility in the amount of \$20.2 million in fiscal year 2020.
- The Grants Fund is mainly used to account for sources of revenue from the City's housing program as well as any grant revenue that is required to be included in a separate special revenue fund. The significant sources of revenues are those received from the U.S. Department of Housing and Urban Development under the HOME, Community Development Block Grants, Emergency Solutions Grant Program and Neighborhood Stabilization Program.
- The General Capital Improvement Fund is used to account for various general purpose projects funded by transfers from the General Fund, grants, land sales or other miscellaneous revenues. The General Capital Improvement Fund is reported as a major governmental fund in 2017 due to the following significant construction projects underway:
  - Pier and Pier Approach Construction, funded by the issuance of Public Service Tax Revenue Bonds and tax increment financing revenues.
  - Police Headquarters and Police Training Facility Construction, funded by the issuance of Non Ad Valorem Revenue Notes and Local Option Sales Surtax revenues (Penny for Pinellas).

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

The following are reported as major enterprise funds:

- Water Resources Fund accounts for the operation of the City's potable water, wastewater and reclaimed water services to residents and businesses within St. Petersburg and surrounding communities.
- Stormwater Fund accounts for the improvements and maintenance of the City's stormwater retention and drainage system.
- Sanitation Fund accounts for all operations of Solid Waste collection, disposal and recycling activities in compliance with federal standards and regulations in order to ensure public health.
- Tropicana Field Fund accounts for all city related operations of Tropicana Field, the home of the Major League Baseball's Tampa Bay Rays. The Tropicana Field Fund accounts for the City's share of both ticket sales for events held at Tropicana Field as well as a portion of the sale of the naming rights. The revenues are used to pay a portion of the cost of the operation of the facility as required by the management agreement with the Tampa Bay Rays.

The City maintains no landfills. All solid waste is disposed of at the Pinellas County Solid Waste Resource Recovery Plant.

The City also reports the following fund types:

- Internal Service Funds: These funds are primarily used to account for the financing of goods or services provided by one department to other departments of the City on a cost reimbursement basis. The City's internal service funds provide insurance, inventory management, equipment and fleet maintenance, facilities maintenance, technology services and billing and collections services to the other departments of the City. Billing and Collections also provides utility billing on behalf of other government entities.
- Fiduciary Fund type includes:
  - Pension Trust Funds account for the activities of the City's General Employees, Fire and Police Retirement Systems, which accumulate resources for pension benefit and disability benefit payments.
  - Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurements of results of operations. Agency funds are merely clearing accounts for assets held by the City as agent for individuals, private organizations, and other governments. The activities included in the agency funds include all payroll liability clearing, employee payroll deductions for credit union deposits, IRS collection activity, pooled equity in cash and investments, etc.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are general and administrative service charges from governmental activities and other charges between the City's business-type functions and various other functions of the City. Elimination of such charges would distort the direct costs and program revenues reported for the various functions concerned.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

Amounts reported as program revenue 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.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Fund Balance

1. Cash, cash equivalents and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit with less than 1 year maturity and institutional money market accounts. Investments included in the Core Portfolio and corresponding accrued investment earnings are pooled together for investment purposes (see Note 5). All investments are reported at fair value.

The City pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. For purposes of the statement of cash flows, the proprietary funds' shares of equity in pooled certificates of deposit are considered to be cash equivalents. See Note 5, "Deposits and Investments."

The City's investment policy, adopted in accordance with Florida Statute 218.415, authorize the City to invest surplus funds in the following:

- Demand checking account, savings accounts and other savings instruments in state qualified public depositories, which are secured per the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.
- The State of Florida Local Governments Surplus Funds Trust Fund pursuant to Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes.
- Certificates, notes, bonds, bills, or zero coupon (strips, cats & tigers) of the United States Treasury, or other obligations of the United States or its Agencies. Agencies are backed by the full faith and credit of the United States. Authorized investments in this category are limited GNMA, FHA, SBA, GSA, FHA, and HUD.
- Obligations of Government Sponsored Enterprises (GSE) (Instrumentalities) which are eligible as collateral for advances to member banks as determined by the Board of Governors of the Federal Reserve System. Instrumentalities are usually "AAA" rated by a Nationally Recognized Statistical Ratings Organization (NRSRO) but have no explicit governmental guarantee. Authorized investments in this category are limited to FNMA, FFCB, FHLB, FHLMC, FLB and FAMCA.
- Collateralized Mortgage Obligations (CMOs) as well as direct collateral bonds issued by Federal Agencies and Instrumentalities. These bonds are usually rated "AAA" by a NRSRO due to the credit pass-thru of the issuing Agency or Instrumentality. All bond purchases must pass the Federal Financial Instrumentalities Examination Council (FFIEC) High Risk Security Test.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

- Bankers' Acceptances (BA) guaranteed by banking institutions which are issued by a domestic bank with a rating of "A-1"/P-1" by a NRSRO on its short term debt or "A" category, by a NRSRO, on its long-term debt. All Bankers' Acceptances must be inventory based.
- Commercial Paper issued by corporations organized and operating within the United States or by depository institutions licensed by the United States having received an "A-1/P-1" or better by a NRSRO, such as Moody's, Standard and Poor's, or Fitch.
- Corporate Asset Backed notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States having received the two highest category ratings by a NRSRO.
- Non-Negotiable Certificates of Deposit and Bank Investment Contracts (BIC) which can be insured, collateralized at the Federal Reserve or qualify as state qualified public deposits, which are secured per the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.
- Guarantee Investment Contracts (GIC) with an issuing financial institution which has at least the two highest category ratings on its long-term debt by a NRSRO. Collateralization using the City's authorized Investment Categories "C" and "D" of this section will be required of all GIC issuers when their rating falls below the two highest rating categories by a NRSRO or the contract can be terminated at the City's option.
- Tax-Exempt Governmental bonds, notes or other obligation of investment grade quality (as established by a NRSRO) issued by or on behalf of this or any other state, or any other agency, county, municipal corporation, special district, authority, or political subdivision thereof, with respect to the investment of City bond proceeds in accordance with arbitrage regulations issued by the Internal Revenue Service (IRS).
- Repurchase Agreement with the City's primary state-certified qualified public depository, as defined by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. The repurchase agreement for overnight sweep cash investments are collateralized by State Law with the State Comptroller's office. The underlying parent rating in these whole loan transactions must be "A-1/P-1" by a NRSRO, unless the counterparty is a Federal Reserve Bank, no rating is required.
- U.S. Treasury and U.S. Government short-term mutual funds used for short-term cash flow.
- Taxable Governmental bonds, notes or other obligations of investment grade quality as established by a NRSRO issued by or on behalf of this or any other state, or any agency, county, municipal corporation, special district, authority, or political subdivision thereof.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

- The Columbia Management (Strategic Cash Fund Capital Class Shares) as a long-term investment held to maturity.
- Unsecured corporate bonds, notes or other obligations issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, and are of investment grade quality as established by a NRSRO. However, no more than 40% of all corporate bonds in the Core and the portion of the Water Cost Stabilization Portfolios that are governed under this Policy may be rated “BBB”.

The City's alternative investment policy approved December 18, 2014, adopted in accordance with Florida Statute 218.415, authorizes the City to invest in dividend yielding index funds and externally managed funds. A maximum of 25% of the balance available for investment in the Water Cost Stabilization Fund (approximately \$20 million) may be invested in dividend yielding equities in funds, mutual funds, or ETF's (passive and internally selected). The alternative investment policy also allows for the Parks Preservation Fund and the Environmental Preservation Fund to be externally managed with specific policy limitations to asset classes, targets, and ranges relating to equity funds, real estate investment trusts (REIT), and fixed income funds.

The reported value of the Local Government Surplus Funds Trust Fund (SBA) Fund A is shown at amortized cost as it meets the criteria to be a 2A-7 like investment at September 30, 2017.

**2. Receivables and Payables**

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

All trade and other receivables, are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles. The special assessment allowance for uncollectible is based on management estimates.

Water and related wastewater charges to customers are based on actual water consumption. Consumption is determined on a monthly cycle basis. The City recognizes as revenue the estimated unbilled consumption as of September 30.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

3. Inventories and Prepaid Items

Inventories of expendable supplies held for consumption are priced at cost using the moving weighted average method, which approximates First-In-First-Out. Governmental fund type inventories are recorded using the consumption method. Inventories in certain Proprietary Funds consist of goods held for sale which are priced at cost using the First-In-First-Out method.

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

4. Restricted Assets

Debt Funding Requirements

Certain proceeds of the City's revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because they are maintained in separate investment accounts and their use is limited by applicable bond covenants.

Also, debt proceeds that are set aside to subsidize potential deficiencies from the City's operations that affect debt service payments, revenue bond and note proceeds that are restricted for use in construction, and segregated resources accumulated for debt service payments over the next twelve months are recorded as restricted assets.

Donor-Restricted Endowments

Included in the permanent funds, which are included in the non major governmental funds presentation, are donor-restricted assets given to the City with the stipulation that the original Kopsick Palm Arboretum Trust endowment ("Kopsick") not be spent, but only the earnings thereon are spendable for specific beautification projects. The total non major endowment restricted assets held by Kopsick at September 30, 2017 totals \$157,703. The endowment terms authorize the expenditures of all interest and dividends earned less management fees and to reinvest all appreciated value. The City transfers the spendable balance annually to another special revenue fund that is included in the Donations Fund. The spendable balance of the endowment totals \$989 at September 30, 2017. There is no state law governing use of endowment funds.

5. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Additions to capital assets are recorded at cost at the time of purchase in governmental funds and at cost plus capitalized interest when purchased in the enterprise funds. Gifts or contributions are recorded at acquisition value at the time received.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

Effective October 1, 2012 the City updated the threshold amounts for additions to capital assets and intangible assets. The City currently maintains the following threshold for additions to capital assets and intangible assets:

Asset Class	Threshold
Land	Capitalize all
Buildings & systems	\$50,000
Improvements other than buildings	\$50,000
Machinery & equipment	\$5,000
Utility systems	\$50,000
Library books & works of art	Capitalize all
Intangible assets - purchased software	\$10,000
Intangible assets - other	\$100,000
Intangible assets - internally developed software	\$1,000,000

Public domain and system infrastructure assets represent such items as roads, water and wastewater treatment plants and lines, parks and drainage systems.

Depreciation and amortization has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

	Range	in	Years
Buildings & systems	10	-	50
Improvements other than buildings	5	-	20
Machinery & Equipment	2	-	10
Utility Systems	20	-	50

**6. Compensated Absences**

All full time employees accumulate limited amounts of annual leave, including extended illness leave, subject to length of employment. Upon separation from employment, employees receive payment for accumulated annual leave not related to extended illness leave. Upon separation from employment for retirement, a limited amount of extended illness leave is paid to employees.

Compensated absences liabilities related to governmental funds are liquidated through the governmental fund in which the liability is incurred.

Accumulated annual and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is recorded in the governmental fund financial statements only when the payment is due and payable.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has two items that meet this criterion: deferred amounts related to pensions and an unamortized gain on bond refunding.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has two items that meet the criterion for this category: unavailable revenues and deferred amounts related to pensions. The deferred inflow of resources for unavailable revenue arises only under a modified accrual basis of accounting and is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from the following sources: business taxes, various charges for services, special assessments, notes receivable and advance grant proceeds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

8. Long-term Obligations

In the government-wide financial statements, and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses in the period incurred. Gains or losses resulting from advanced refundings of debt are deferred and amortized over the shorter of the life of the new debt or the original life of the defeased debt and are reported as a deferred outflow of resources and are amortized and reported as a component of interest expense.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs whether or not withheld from the actual debt proceeds received, are reported as debt service expenses in the period incurred.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
 September 30, 2017

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

Governmental long term obligations are repaid by the City through the following funds:

<u>Long-term Obligation</u>	<u>Obligating Fund</u>
Revenue Bonds	Professional Sports, Facility Sales Tax, and Public Service Tax
Notes	JP Morgan Chase, TD Bank, BB&T Notes, Banc of America and Banc of America Capital Leasing
Compensated Absences, OPEB and Net Pension Liability	General, Building Permit, and Emergency Medical Services

9. Fund Balances

Fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

***Nonspendable*** The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

***Restricted*** Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation (City ordinances). Enabling legislation authorizes the City to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the City can be compelled by an external party such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by ordinance, a formal action of City Council, which is the highest level of decision making authority at the City. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

**Assigned** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned fund balance is established by definition of the fund or by intended use (such as construction contracts) as established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute. No such delegation has been made to this date by City Council.

**Unassigned** fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

**10. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**11. Fair Value**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**12. Stabilization Arrangements**

Governmental Stabilization funds, a type of reserve fund maintained to offset economic downturns, natural disasters and other unforeseen events, are presented as committed fund balances in the appropriate fund. The level of funding will be reviewed annually by City Council; additions to or reductions from a stabilization fund will be approved by City Council as part of the

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

budget process or the supplemental appropriation process. Establishing the proper balances in stabilization funds takes into account the risk exposure related to self-insurance and property insurance deductibles in the event of major storm damage to City assets. Transfers from stabilization funds will not be allowed if they would cause the stabilization fund to be in a deficit position.

The City maintains two stabilization arrangements - the Economic Stability Fund and the Water Cost Stabilization Fund. The balance in the Economic Stability Fund is presented as part of the General Fund. The balance in the Water Cost Stabilization Fund is presented as part of the Water Resources Fund. Permitted uses of these funds have been established by City Council by Resolution.

The balance in the Economic Stability Fund represents committed fund balances which are available for expenditure only with the approval of City Council and under the following specified and non-routine conditions:

- In the event of an estimated budget shortfall amounting to more than 2% of the most recently adopted budget. Only the amount of the shortage above 2% may be taken from the Economic Stability Fund, while other budget balancing measures will be employed to offset budget shortfalls up to and including 2%. If the 2% threshold has been met, the appropriate amount of resources to utilize from the Economic Stability Fund will take into account the current economic climate, including the local unemployment rate, inflation rate, rate of personal income growth, assessed property values, and other factors as determined to be appropriate.
- In the event of damage to City property or loss of City assets due to disasters such as hurricane, tornado, flood, wind, acts of terrorism or other catastrophic events when such an event results in a declaration of a state of emergency other funds of the City, such as the equipment replacement funds, the self insurance fund and the Technology/Infrastructure Fund will be used first, as appropriate to the circumstances, before relying on the Economic Stability Fund.
- To provide short-term (one year or less) advances, or long-term loans exceeding one-year in length, to other funds of the City for shortfalls due to economic impacts or for other purposes, as recommended by the Mayor and approved by City Council. A plan for repayment of the funds will be established before any such advance or loan is made.

When the Economic Stability Funds are used for any permitted purpose, the fund will be replenished in an amount to meet the fund balance target, either from the fund for which the resources were required or from another fund of the City, within the time frame recommended by the Mayor or City Administrator and approved by City Council.

Balances in the Water Cost Stabilization Fund represent committed fund balances which are available for expenditure only with the approval of City Council and under conditions specified in resolutions and in accordance with existing bond covenants.

The Economic Stability Fund is included in the General Fund for financial reporting purposes and had a fund balance of \$25,968,597 at September 30, 2017.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

The Water Cost Stabilization Fund is included in the Water Resources Fund for financial reporting purposes and had a net position of \$91,742,375 at September 30, 2017.

13. Minimum Fund Balance Policy

The General Fund, as defined in the CAFR, has a reserve target of 20% of the Fund's current year budgeted appropriations and the unassigned core General Operating Fund has a reserve target of 5% of the Fund's current year budgeted appropriations. The Core General Operating Fund rolls into the General Fund as defined by the CAFR. For the purpose of determining if the target has been met, the unassigned fund balance of the general fund and the balance of the economic stability fund are added together and the combined amount is then compared with the annual appropriations budget.

Other governmental funds of the City do not have specified fund balance targets. Recommended levels of committed and/or assigned fund balance will be determined on a case by case basis, based on the needs of each fund and as recommended by city officials and approved by City Council.

Fiduciary funds do not have fund balance targets.

Proprietary funds, which include both enterprise funds and internal service funds, have fund balance targets as shown on the next page. In most cases the specific targets for proprietary funds are a percentage of the annual, appropriated budget for that fund. (Percentage targets can also be described in terms of a number of months of operating costs. For example, a fund balance reserve target equal to 8.3% is the same as a reserve target equal to one month of operating expenditures; 16.7% equals two months expenditures and 25% equals three months.) For the purpose of setting target amounts for the proprietary funds, estimated fund balance amounts are determined based on a budgetary fund balance.

For those proprietary funds that have targets not based on the annual operating costs, notation as to the basis for determining the target is stated. Enterprise funds dependent upon an annual subsidy from the General Fund do not have a fund balance target; if in the future, the enterprise fund becomes self supporting, consideration will be given to establishing a fund balance target.

*Unless otherwise noted, the targets shown on the following page are a percentage of the annual, appropriated budget.*

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

Enterprise Funds

**Water Resources Funds**— 25%\* (8.3% in operating fund, 16.7% in water cost stabilization fund)

**Stormwater Utility Funds** – 16.7%\*

**Sanitation Funds**

Sanitation Operating Fund – 16.7%

Sanitation Equipment Replacement Fund – 25% of equipment replacement cost

**Airport Fund**— no target

**Marina Funds**— 8.3%\*

**Golf Courses Funds** – 8.3%\*

**Jamestown Fund** – 8.3%

**No Target** – Port, Parking, Mahaffey Theater, Pier, Coliseum, Sunken Gardens, and Tropicana Field Funds.

Internal Service Funds

**Equipment and Maintenance Funds**

Fleet Management Fund – 8.3%

Equipment Replacement Fund – 25% of equipment replacement costs

**Municipal Office Buildings Funds** – 16.7%

**Technology Services Fund** – 16.7%

**Consolidated Inventory Fund** – 8.3%

**Insurance Funds**

Health Insurance Fund – 25% plus the IBNR claims

Life Insurance Fund – 16.7%

Self Insurance Fund – Set annually by an actuarial study

General Liability Claims Fund- Set annually by an actuarial study

Commercial Insurance Fund – 50%

Workers' Compensation Fund – Set annually by an actuarial study

**Billing and Collections Fund** – 16.7%

*\*Transfers to the related capital improvement fund is excluded from target balance calculation.*

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

14. Adoption of New Governmental Accounting Standards Board (GASB) Pronouncements

During the fiscal year ended September 30, 2017 the City implemented the following GASB Pronouncements:

*GASB Statement No. 77, Tax Abatement Disclosures*

Issued in August 2015, the Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements in order to provide information to the public about how tax abatements affect their financial position and results of operations.

This Statement requires disclosure of tax abatement information about (1) a reporting government's own tax abatement agreements and (2) those that are entered into by other governments and that reduce the reporting government's tax revenues. See footnote 21 for disclosure.

*GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*

Issued in June 2015, the Statement establishes requirements for defined benefit pensions that are not within the scope of Statement No. 68, *Accounting and Financial Reporting for Pensions*, as well as for the assets accumulated for purposes of providing those pensions.

In addition, it establishes requirements for defined contribution pensions that are not within the scope of Statement 68. It also amends certain provisions of Statement No. 67, *Financial Reporting for Pension Plans*, and Statement 68 for pension plans and pensions that are within their respective scopes. The Statement is not applicable to the City.

*GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*

Issued in June 2015, this Statement replaces Statements No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*.

It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans, as amended*, Statement 43, and Statement No. 50, *Pension Disclosures*. The Statement was issued to improve financial reporting through enhanced note disclosures and schedules of required supplementary information that will be presented by OPEB plans that are administered through trusts that meet the specified criteria. The Statement does not apply to the City as the City does not have a trust or accumulated assets for OPEB.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

*GASB Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*

Issued in December 2015, the Statement addresses a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. No implementation impact to the City as the City does not currently have such circumstances.

*GASB Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*

Issued in January 2016, the Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. No implementation impact for the City as we do not currently have such circumstances.

*GASB Statement No. 81, Irrevocable Split-Interest Agreements*

Issued in March 2016, the Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. No implementation impact for the City as we do not currently have such circumstances.

**15. Future GASB Pronouncements**

The following GASB Pronouncements have been issued, but are not in effect for the City as of September 30, 2017.

*GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

Issued in June 2015, the Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB.

The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. In addition, this Statement details the recognition and disclosure requirements for employers with payables to defined benefit OPEB plans that are administered through trusts that meet the specified criteria and for employers whose employees are provided



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

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

with defined contribution OPEB. The City will implement this Statement for the fiscal year ending September 30, 2018.

**GASB Statement No. 83, *Certain Asset Retirement Obligations***

Issued in November 2016, the Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The Statement requirements are effective for reporting periods beginning after June 15, 2018 however earlier application is encouraged. The City will implement the Statement when required, but may adopt earlier as recommended in a future fiscal year.

**GASB Statement No. 84, *Fiduciary Activities***

Issued in January 2017, this Statement improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The City will implement this Statement for fiscal year ending September 30, 2020.

**GASB Statement No. 85, *Omnibus 2017***

Issued in March 2017, this Statement is to address practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The City will implement this Statement for fiscal year ending September 30, 2018.

**GASB Statement No. 86, *Certain Debt Extinguishment Issues***

Issued in May 2017, this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources – resources other than the proceeds of refunding debt – are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statement for debt that is defeased in substance. The City will implement this Statement for fiscal year ending September 30, 2018.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
*September 30, 2017*

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

**GASB Statement No. 87, Leases**

Issued in June 2017, this Statement is to improve the accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The City will implement this Statement for fiscal year ending September 30, 2021.

The City will implement new GASB Pronouncements no later than the required effective date. Management is currently evaluating whether the above listed new GASB pronouncements will have a significant financial impact on the City's financial statements.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
*September 30, 2017*

**NOTE 2 – BUDGET AND BUDGETARY DATA**

The City, in accordance with its Charter and State Law, applies the following procedures in establishing the budgetary data reflected in the accompanying financial statements.

**Budget Policy:**

An annual operating budget is prepared by the City's budget department for the General, Special Revenue, Enterprise and Debt Service Funds. The Mayor submits to the City Council the proposed operating budget for the ensuing fiscal year.

The operating budget includes proposed expenditures and the means to finance them, including a proposed ad-valorem millage rate by passage of an ordinance.

The General Fund is subject to budgetary control on an administration level (i.e., Police, Fire, etc.

The Mayor is authorized to transfer General Fund budgeted amounts between expenditure categories within individual administrations; however, transfers between administrations and revisions that alter the total expenditures of a fund must be approved by the City Council. The Special Revenue, Enterprise and Debt Service Funds are subject to budgetary control on an individual fund basis. The City Council approved several supplemental appropriations during the fiscal year in the General, Special Revenue, Enterprise, and Debt Service Funds. All supplemental appropriations are included in the final budget columns of the financial statements and schedules. Unencumbered appropriations in the annual operating budget lapse at fiscal year end. Florida statutes limit subsequent budget appropriations to sixty days after the fiscal year end.

**Budgetary Basis of Accounting:**

Budgets presented for governmental funds in these financial statements have been prepared on the modified accrual basis of accounting, except for encumbrances, the net increase (decrease) of advances outstanding with other funds, and the net increase (decrease) in the fair value of investments. Encumbrances are part of the overall budgetary control process and thus are included in the Actual column with the related expenditures when a comparison with budget is made. Similarly, the net increase (decrease) in the fair value of investments is excluded from related revenues when a comparison with budget is made. The reserve for inventory, the reserve for prepaid costs and deposits, and advances with other funds are treated as unavailable in determining fund balance on the budgetary basis.

**Expenditures in Excess of Appropriations:**

The Public Works Administration and Leisure Services included in the General Fund expenditures exceeded appropriations by \$99,024 and \$43,741 respectively, due to the additional approved appropriations estimate not sufficient for the final accounts payable accrual made subsequent to the fiscal year 2017 budget appropriations.

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 3 - FUND BALANCES**

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in the government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented on the following page.

***Fund Balance Summary***

	General	Community Redevelopment Districts	Downtown Redevelopment District	Local Option Sales Surtax Improvement	General Capital Improvements	Grants	Non major Governmental	Total Governmental Funds
<b>Non Spendable</b>								
Advances From Other Funds	\$ 7,819,613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,819,613
Library Permanent Income Earnings Trust Kopsick	-	-	-	-	-	-	238,815	238,815
Non-Expendable Trust Fund	-	-	-	-	-	-	157,703	157,703
Fire Rescue and EMS Awards	-	-	-	-	-	-	33,937	33,937
Prepaid Deposit and Inventory	1,222,972	-	-	-	-	1,270	71,975	1,296,217
<b>Total Non Spendable</b>	<b>9,042,585</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,270</b>	<b>502,430</b>	<b>9,546,285</b>
<b>Restricted</b>								
Bayboro Harbor Redevelopment District	-	843,730	-	-	-	-	-	843,730
Intown West Redevelopment District	-	3,984,738	-	-	-	-	-	3,984,738
Downtown Redevelopment District	-	-	22,355,326	-	-	-	-	22,355,326
Public Safety Capital Improvement (1)	-	-	-	27,465,801	-	-	-	27,465,801
City & Neighborhood Infrastructure (1)	-	-	-	25,855,441	-	-	-	25,855,441
Recreation and Culture Capital Improvement (1)	-	-	-	10,555,235	-	-	-	10,555,235
City Facilities Capital Improvement (1)	-	-	-	2,155,838	-	-	-	2,155,838
Public Safety - Law Enforcement	-	-	-	-	-	-	1,240,465	1,240,465
Public Safety - EMS	-	-	-	-	-	-	869,422	869,422
Debt Service Payments	-	-	-	-	-	-	9,401,821	9,401,821
Housing Assistance Grants	-	-	-	-	-	1,712,836	2,170,989	3,883,825
Weeki Wachee (2)	-	-	-	-	-	-	8,638,235	8,638,235
Donation Funds	-	-	-	-	-	-	535,443	535,443
Professional Sports Facility Sales Tax	-	-	-	-	-	-	94,066	94,066
General Capital Improvements (5)	-	-	-	-	100,231,852	-	-	100,231,852
Building Code Enforcement	-	-	-	-	-	-	11,620,451	11,620,451
<b>Total Restricted</b>	<b>-</b>	<b>4,828,468</b>	<b>22,355,326</b>	<b>66,032,315</b>	<b>100,231,852</b>	<b>1,712,836</b>	<b>34,570,892</b>	<b>229,731,689</b>

(1) The Local Option Sales Surtax Improvement Funds are utilized for capital improvement projects (CIP) funded by the "Penny for Pinellas" program. Penny for Pinellas projects are approved by Pinellas County through an interlocal agreement

(2) A portion of the proceeds from the sale of Weeki Wachee is restricted by voter referendum (\$8,638,235 restricted) and the remainder was committed by action of City Council.

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 3 - FUND BALANCES - (Continued)**

	General	Community Redevelopment Districts	Downtown Redevelopment District	Local Option Sales Surtax Improvement	General Capital Improvements	Grants	Non major Governmental	Total Governmental Funds
<b>Committed</b>								
General Capital Improvements	-	-	-	-	4,191,582	-	-	4,191,582
Downtown Parking Garage	-	-	-	-	-	-	1,080	1,080
Transportation Improvements	-	-	-	-	-	-	1,644,557	1,644,557
Housing Capital Improvements	-	-	-	-	-	-	3,443	3,443
Land sale proceeds (3)	89,170	-	-	-	-	-	-	89,170
Local Agency Program (LAP) (3)	265,504	-	-	-	-	-	-	265,504
Economic Stability and Budget								
Shortfalls/Savings (4)	25,968,597	-	-	-	-	-	-	25,968,597
Preservation Projects (4)	138,183	-	-	-	-	-	-	138,183
Operating reappropriations (3)	4,869,887	-	-	-	-	-	-	4,869,887
Qualified Target Industry (QTI) Tax (3)	81,250	-	-	-	-	-	-	81,250
Weeki Wachee (2)	-	-	-	-	-	-	8,587,297	8,587,297
Recreation and Culture (4)	692,142	-	-	-	-	-	1,329,349	2,021,491
<b>Total Committed</b>	<b>32,104,733</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,191,582</b>	<b>-</b>	<b>11,565,726</b>	<b>47,862,041</b>
<b>Assigned</b>								
General Capital Improvement (5)	-	-	-	-	5,428,347	-	-	5,428,347
Housing Capital Improvement	-	-	-	-	-	-	243,813	243,813
Transportation Improvement (Sidewalks & Traffic Safety)	-	-	-	-	-	-	12,216,981	12,216,981
Downtown Parking Garage	-	-	-	-	-	-	2,909,168	2,909,168
Recreation and Culture	-	-	-	-	-	-	767,798	767,798
<b>Total Assigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,428,347</b>	<b>-</b>	<b>16,137,760</b>	<b>21,566,107</b>
<b>Unassigned</b>	<b>23,154,218</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,154,218</b>
<b>Total Fund Balances</b>	<b>\$ 64,301,536</b>	<b>\$ 4,828,468</b>	<b>\$ 22,355,326</b>	<b>\$ 66,032,315</b>	<b>\$ 109,851,781</b>	<b>\$ 1,714,106</b>	<b>\$ 62,776,808</b>	<b>\$ 331,860,340</b>

(3) City Council has committed a portion of the General Operating Fund Balance for specific purposes under Ordinance 308-H for Fiscal Year Ended September 30, 2017. The ordinance contained the following commitments:

-The Operating Re-Appropriations commitment provides for funds to be rolled over for contracts, grants, or purchase orders issued in 2017 which purchases could not be completed due to timing or other issues.

-The Land Sale Proceeds commitment was created to provide a funding source for acquiring property. Proceeds from the sale of city properties valued at less than \$20,000 are deposited in the General Operating Fund and are to be used for acquiring property according to Resolution 2002-126 adopted by City Council on February 21, 2002.

-The Qualified Target Industry Tax Refund Program commitment was established to provide the City's share over the next five years for the QTI program, which provides funds to local businesses for the purpose of stimulating economic growth and employment.

-The Local Agency Program commitment is established to provide the City's share over the next 15 years for maintenance of city roads and trails as a result of grant agreements with the Florida Department of Transportation.

(4) The Preservation Reserve Fund, the Economic Stability Fund and the Arts in Public Places Fund are each committed by an action of City Council.

(5) The General Capital Improvement Fund is comprised of various City-wide projects however the most significant of those projects include bicycle and pedestrian pathways, FDOT Right of Way Landscaping, Police Headquarters and Training Facility, and the Pier Visioning Project.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
*September 30, 2017*

**NOTE 4 – PROPERTY TAXES**

**A. CALENDAR OF PROPERTY TAX EVENTS**

January 1, 2016 - Property taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

June 1, 2016 – Estimate of taxable value, property assessment roll and certificates of value by County Property Appraiser provided to the City.

July 1, 2016 - Proposed tax millage rate approved by the City Council and provided to the County Property Appraiser, who mails notices to the taxpayers.

September 22, 2016 - Property tax millage rate resolution approved by the City Council.

October 1, 2016 - Beginning of fiscal year for which taxes are levied.

November 1, 2016 - Property Tax levy due and payable.

April 25, 2017 - County Property Appraiser notifies the City of taxable value on the final property tax assessment roll.

April 1, 2017 - Unpaid property taxes become delinquent and become a lien.

June 1, 2017 - Tax certificates are sold by the Pinellas County Tax Collector.

**B. TAX COLLECTION**

Property tax collections are governed by Chapter 197, Florida Statutes. The Pinellas County Tax Collector bills and collects all property taxes levied within the County. Discounts are allowed for early payment of 4% in November, 3% in December, 2% in January and 1% in February. If property taxes are not paid by April 1, the County adds a 3% penalty on real estate and 1½ % on personal property.

The Tax Collector advertises and sells tax certificates on all real property for delinquent taxes. Certificates not sold revert back to the County. The Tax Collector must receive payment before the certificates are issued. Any person owning land on which a tax certificate has been sold may redeem the land by paying the Tax Collector the face amount of the tax certificate plus interest and other costs. The owner of a tax certificate may at any time after taxes have been delinquent (April 1), for two years, file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent. Tax deeds are issued to the highest bidder for the property which is sold at public auction.

The Tax Collector remits current taxes collected through four distributions to the City in the first two months of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

**C. TAX LIMITATIONS**

Florida Statutes set the maximum millage rate at 10 mills of assessed valuation for operating purposes. For the fiscal year ended September 30, 2017, the approved operating millage was 6.7550 mills.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS**

**A. BACKGROUND**

The City maintains a cash pool that is available for use by all funds except for monies legally restricted to separate administration or monies that by their nature are to be administered separately. Interest income for cash equivalents is distributed monthly based on a monthly average balance.

Investments and related accrued investment earnings are pooled together for investment purposes for all funds except Debt Service Funds, Bond Proceed Fund, Water Cost Stabilization Fund and Weeki Wachee Fund. All funds participating in the pool deposit monies into the equity in pooled investments of the City. Investment earnings are distributed in accordance with the participating funds' relative percentage of investments.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures* requires governments to disclose deposits and investments exposed to custodial credit risk. For deposits, this is the risk that, in the event of the failure of a depository financial institution, a government may not be able to recover deposits nor be able to recover collateral securities that are in the possession of an outside party.

Cash and cash equivalents held separately where contractual arrangements and bond covenants require such arrangements are classified as "Restricted Assets".

**B. CASH ON DEPOSIT**

At fiscal year end, the carrying amounts of the City's primary government, component unit, agency funds and pension funds deposits were \$114,924,671 and the bank balances were \$124,367,357 all of which is held in a Qualified Public Depository. The City's cash on deposit are held in demand checking accounts, savings accounts and other savings instruments in state qualified public depositories, which are secured per the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. At year end, the City's carrying amounts of cash on deposit and cash equivalents were as follows:

	Primary Government	Component Unit	Pension Funds	Agency Fund	Total
Cash Deposits	\$ 113,030,650	15,330	1,878,691	-	\$ 114,924,671
State of Florida Local Government Surplus Trust Fund A	23,031,558	-	-	-	23,031,558
Morgan Stanley - Governmental Money Market	17,622,216	-	-	-	17,622,216
Morgan Stanley - Bank Deposit Program	397,625	-	-	-	397,625
AIM - Governmental Money Market	6,553,246	-	-	-	6,553,246
Certificates of Deposit	33,000,000	-	-	-	33,000,000
Total	<u>\$ 193,635,295</u>	<u>15,330</u>	<u>1,878,691</u>	<u>-</u>	<u>\$ 195,529,316</u>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The City holds cash equivalents with the State of Florida Local Government Surplus Trust Fund A (Florida PRIME in the short term, debt service and bond proceeds portfolios as of September 30, 2017. Florida PRIME is recorded as amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. Florida PRIME is a 2a7-like pool, which is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market funds. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAM at September 30, 2017 and is recorded at amortized cost. There are no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value. The dollar weighted average days to maturity (WAM) of Florida PRIME at September 30, 2017 is 51 days and the weighted average life (WAL) of Florida PRIME at September 30, 2017 is 80 days. Florida PRIME was not exposed to any foreign currency risk during the year ended September 30, 2017.

The City's cash equivalents held in the Morgan Stanley Governmental Money Market Fund and the Invesco AIM Governmental Money Market Fund are recorded at amortized cost. Both money market funds have a Moody's rating of Aaa and have a net asset value (NAV) at September 30, 2017 of \$1.00. The Morgan Stanley Governmental Money Market Fund WAM is 17 days and the WAL is 74 days at September 30, 2017. The Invesco AIM Governmental Money Market Fund WAM is 17 days and the WAL is 111 days at September 30, 2017. Dividends and capital gains are reinvested in both money market funds.

On May 1, 2016, the City entered into a three year banking services agreement with JPMorgan Chase with two one year extensions. There are no compensating balances required to be maintained. There are no line of credit commitments within the contract.

The City's contract for merchant account processing service is with Bank of America. It requires the processing of all VISA, Master Card and Discover Card charges which are deposited into the City's accounts on a daily basis. The City also has an agreement with Bill 2 Pay, a division of Intuition Systems, Inc. to act as provider of all lockbox services for collections on City utility bills.

**C. INVESTMENT BACKGROUND**

*Investment Policy*

As required by Florida Statutes, the City adopted an investment policy ordinance on January 4, 1996, that authorizes the investment of surplus funds in investments including but not limited to investments allowed by Florida Statute 218.415(17). The ordinance stipulates the establishment of a written investment policy by city resolution. The ordinance requires that all investments shall be governed by the "prudent person rule". A series of approved resolutions since the adoption of the Investment Ordinance have outlined the City's total investments, diversification, investment objectives, delegation of authority, required investment procedures, internal controls, selection of broker/dealers, payment, custody, safekeeping, reporting requirements, and investment oversight.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

In fiscal year 2015, the City adopted a revised investment policy and new alternative investment policy. The investment policy establishes a minimum of four portfolios to identify cash flow requirements within the City as well as modifying interest rate and concentration risk and the alternative investment policy established three portfolios. The four minimum portfolios in the investment policy are the Short Term Portfolio, Core Portfolio, Bond Reserve and Trust Fund Portfolio and Public Utilities Water Cost Stabilization Portfolio.

The investment policy currently includes the following portfolios:

- Short Term Portfolio: The portfolio contains investments in short-term registered money market funds, the State of Florida Local Government Surplus Trust Fund and other authorized investments with a maturity of one year or less from the date of settlement.
- Core Portfolio: The portfolio consists of investment positions whose maturities may not exceed ten years from the date of settlement.
- Debt Service Portfolio: The portfolio consists of investment positions related to debt service cash flow.
- Bond Proceeds Portfolio: The portfolio consists of investment positions related to bond reserves or trust funds representing bond reserves.
- Public Utilities Water Cost Stabilization Portfolio (Water Cost Stabilization Portfolio): The portfolio is the proceeds from the sale of certain assets as governed by City Ordinance and described under bond covenants and consists of investment positions whose maturities may not exceed ten years.

The alternative investment policy was created in fiscal year 2015 to allow alternate investments for the Parks Preservation (Weeki Wachee Fund), Environmental Preservation Fund, and 25% of the Water Cost Stabilization Portfolio investable balance. The City's Parks Preservation (Weeki Wachee Fund) and Environmental Preservation Fund are externally managed funds and the Water Cost Stabilization Fund is internally managed. Under the alternative investment policy, the internally managed funds may be invested in dividend yielding equities in funds, mutual funds, or ETF's (passive and internally selected).

Under the alternative investment policy, the externally managed funds must be invested in permitted investment and a specified diversification structure by the external investment managers as laid out in the alternative investment policy. The policy has asset classes, ranges, and targets and includes equity investment funds, real estate investment trusts (REITS), and fixed income funds. The external manager and sub-managers are required to comply with the specific ranges for each asset class and the policy defines permitted and non-permitted investment instruments.

*Specific Investments Held of Interest*

The City holds an investment in the Columbia Strategic Fund in the core portfolio as of September 30, 2017. The Columbia Strategic Fund account is a separately run investment account for the City. During 2016, Blackrock assumed management of the Strategic Cash Management Fund. Money is withdrawn from the account when investments mature or are sold. There are investment positions with a fair value of \$413,703 that are rated below investment grade or not rated, see credit risk note for more information.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

Under the alternative investment policy, the City holds an investment in index funds in the internally managed Water Cost Stabilization Fund. Investments in the City's internally selected index funds are tracked to their underlying index. The Ishares Core High Dividend ETF is tracked to the Morningstar Dividend Yield Focus Index, the Ishares Russell 1000 Value ETF is tracked to the underlying Russell 1000 Index, the Vanguard Dividend Appreciation ETF is tracked to the Nasdaq Dividend Achievers Index, the Vanguard High Dividend Yield ETF is tracked to the Financial Times Stock Exchange High Dividend Yield Index, and the Vanguard S&P ETF is tracked to the S&P 500 Index.

**D. GOVERNMENT'S INVESTMENTS AND FAIR VALUE MEASUREMENT**

GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using consistent definition and accepted valuation techniques. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the exchange price that would be received for an asset (exit price) in the principal or most advantageous market for an asset in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets that the City has the ability to access.

Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset in active markets, as well as inputs that are observable for the asset (other than quoted prices), such as interest rates, foreign exchange rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs for the asset which are typically based on the City's own assumptions, as there is little, if any, related market activity.

Investments that are measured at fair value using the net asset value per share (NAV) (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

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

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The primary government and component unit have the following recurring fair value measurements as of September 30, 2017:

	Core Portfolio	Debt Service Related Portfolio	Bond Proceeds Portfolio	Water Cost Stabilization Portfolio	Level
<u>City Investment Policy (General):</u>					
Certificates of Deposit (not cash equivalent)	\$ 11,000,000	-	19,000,000	\$ 11,600,000	1
Fixed Income Investments					
U.S. Treasury	50,148,361	-	33,992,020	-	1
U.S. Instrumentalities Bonds & Notes	62,975,451	19,649,325	5,000,670	17,020,804	2
Taxable Municipals	87,895,706	-	-	19,598,249	2
Non-Taxable Municipals	293,251	-	-	-	2
Corporate Bonds	91,615,405	-	-	19,578,493	2
Collateralized Mortgage Obligations	399,860	-	-	171,343	2
Blackrock Strategic Cash	697,709	-	-	-	3
Total Portfolio	\$ 305,025,743	19,649,325	57,992,690	67,968,889	
<b>Total City General Investment Policy</b>				<u>\$ 450,636,647</u>	
<u>City Alternate Investment Policy:</u>					
Water Cost Stabilization Index Funds				\$ 22,059,639	
Parks Preservation Portfolio					
Common Stocks				5,559,553	1
Common Stocks				4,175,207	2
Mutual Fund - Equities				718,479	1
US Treasury				1,150,826	1
US Instrumentalities Bonds & Notes				355,688	2
Corporate Bonds				3,492,318	2
Mutual Fund - Corporate Bonds				1,670,946	1
Total Parks Preservation Portfolio				17,123,017	
Total - City Alternate Investment Policy				39,182,656	
<u>Other:</u>					
U.S. Trust - Library Gene Stacy Investments Portfolio - Mutual Funds				104,006	1
Morgan Stanley Kopsick Endowment (Perm Fund) - Mutual Funds				157,703	1
<b>Total Investments at Fair Value</b>				<u>490,081,012</u>	
Accrued Interest Receivable (included in Equity in Pooled Investments)				2,873,815	
<b>Total Investments, Primary Government and Component Unit</b>				<u>\$ 492,954,827</u>	

The City's debt and equity securities classified as Level 1 are valued using prices quoted in active markets for those securities.

The City's debt securities classified as Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. These securities have nonproprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

The City's debt securities classified as Level 3 are valued based on the custodian bank's external pricing vendors or an alternative pricing source, utilizing inputs such as stale prices, cash flow

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

models, broker bids, or cost. Cost or book value may be used as an estimate of fair value when there is lack of an independent pricing source.

The investment ordinance and policy include governmental and trustee deposits controlled by the City and all agency funds investments. The investment ordinance and policy shall not be interpreted or construed to override any specific provision contained in any bond resolution of the City relating to the investment of bond proceeds. The City assumes that its callable investments, which consist of the federal agency bonds and notes, will not be called.

**E. CITY INVESTMENT RISK DISCLOSURES**

**Interest Rate Risk (Effective Duration)**

Interest rate risk is the risk that as market rates change the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rate. The City's investment policy limits the maturity of an investment to a maximum of 12 months in the short term portfolio and maximum of 10 years with a weighted average maturity between 2 to 6 years for the core portfolio and the Water Cost Stabilization Portfolio, taking into consideration the City's investment risk constraints and cash flow requirements. The respective durations were based on the securities maturity date, not the call date. As of September 30, 2017, the City had the following fixed income investments with the corresponding effective duration by portfolio:

	Effective Duration 0-1 Years	Effective Duration 1-5 Years	Effective Duration 5-10 Years	Total Fair Value
<u>City General Investment Policy</u>				
Core Portfolio				
U.S. Treasury	\$ -	50,148,361	-	\$ 50,148,361
U.S. Instrumentalities Bonds & Notes	-	52,934,251	10,041,200	62,975,451
Taxable Municipals	7,449,224	67,430,547	13,015,936	87,895,707
Non-Taxable Municipals	293,251	-	-	293,251
Corporate Bonds	37,114,785	40,198,810	14,301,810	91,615,405
Collateralized Mortgage Obligations	389,707	10,153	-	399,860
Blackrock Strategic Cash	697,709	-	-	697,709
Total Core Portfolio	45,944,676	210,722,122	37,358,946	294,025,744
Debt Service Related Portfolio				
U.S. Instrumentalities Bonds & Notes	-	19,649,325	-	19,649,325
Total Debt Service Related Portfolio	-	19,649,325	-	19,649,325
Bond Proceeds Portfolio				
U.S. Treasury	33,992,020	-	-	33,992,020
U.S. Instrumentalities Bonds & Notes	5,000,670	-	-	5,000,670
Total Bond Proceeds Portfolio	38,992,690	-	-	38,992,690
Water Cost Stabilization Portfolio				
U.S. Instrumentalities Bonds & Notes	10,072,044	6,948,760	-	17,020,804
Taxable Municipals	6,529,245	11,335,943	1,733,061	19,598,249
Corporate Bonds	-	11,020,168	8,558,325	19,578,493
Collateralized Mortgage Obligations	171,343	-	-	171,343
Total Water Cost Stabilization Portfolio	\$ 16,772,632	29,304,871	10,291,386	\$ 56,368,889
Total General Investment Policy	\$ 101,709,998	259,676,318	47,650,332	\$ 409,036,648

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The City's general investment portfolio's average years to maturity is 4.4 years and average coupon of bond holdings is 2.97% at par value weighted calculation. At market value weighted calculation the portfolio has a 2.92% current yield of portfolio and 1.94% average yield to maturity.

	Effective Duration 0-1 Years	Effective Duration 1-5 Years	Effective Duration 5-10 Years	Total Fair Value
<u>City Alternate Investment Policy</u>				
Parks Preservation Portfolio				
US Treasury	\$ 45,965	1,104,861	-	\$ 1,150,826
US Instrumentalities Bonds & Notes	-	355,688	-	355,688
Corporate Bonds	766,591	2,725,727	-	3,492,318
Total Alternate City Investment Policy	<u>\$ 812,556</u>	<u>4,186,276</u>	<u>-</u>	<u>\$ 4,998,832</u>

The City's alternate investment portfolio's average years to maturity is 3.14 years and average coupon of bond holdings is 2.32% at par value weighted calculation. At market value weighted calculation the portfolio has a 2.30% current yield of portfolio and 1.96% average yield to maturity.

**Custodial Credit Risk**

Custodial credit risk for investments is the risk that in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Wells Fargo is the City's custodial bank for the City's General Investment Portfolio and Alternate Investment Portfolio and has certain sub-custodial relationships with counterparties.

The City's investments are either held by the City or by counterparties in the City's name; therefore the City's investments had no custodial credit risk at September 30, 2017.

**Credit Risk (Credit Ratings)**

The City's investment policy (the Policy), minimizes credit risk by restricting authorized investments to the highest ratings of at least one of the nationally recognized statistical rating organizations (NRSROs). Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. The credit ratings on the prior page were consistent among the three major rating agencies (Moody's, Standard and Poor's, and Fitch).

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

As of September 30, 2017, the City had the following investments with the corresponding Moody's credit ratings:

	<u>Credit Rating</u>	<u>Market Value</u>
<u>City Investment Policy (General):</u>		
AIM Investment Money Market	Aaa	\$ 6,553,246
Morgan Stanley Money Market	Aaa	17,622,216
U.S. Instrumentalities Bonds & Notes	Aaa	101,003,835
	Aa2	3,642,415
Taxable Municipals		
	Aaa	24,587,371
	Aa1	30,492,125
	Aa2	8,390,903
	Aa3	16,134,532
	A1	7,593,704
	A2	1,520,445
	A3	824,925
	Baa1	5,557,530
	S&P AA+	1,012,440
	S&P AA-	10,333,000
	S&P A-	1,046,980
Non-Taxable Municipals	A2	293,251
Corporate Bonds		
	Aaa	12,092,580
	Aa1	3,586,625
	Aa2	4,606,515
	Aa3	8,853,210
	A1	32,601,090
	A2	10,253,750
	A3	22,532,818
	Baa1	11,416,260
	Baa3	5,251,050
Collateralized Mortgage Obligations		
	Aaa	571,203
Blackrock Strategic Cash	Aaa to NR*	697,709
Total General City Investment Policy		\$ 349,071,728
<u>City Alternate Investment Policy:</u>		
Parks Preservation Portfolio		
US Instrumentalities Bonds & Notes	Aaa	\$ 355,688
Corporate Bonds		
	Aaa	701,635
	Aa2	97,290
	Aa3	194,306
	A1	292,295
	A2	200,967
	A3	688,597
	Baa1	786,437
	Baa2	189,017
	Baa3	191,333
	S&P AA	150,441
Total Alternate City Investment Policy		\$ 3,848,006

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The City's investments in U.S. Treasuries or U.S. agencies that are backed by the U.S. Government were not included in the previous table. The City has a taxable municipal bond due to the Fort Pierce, Florida Capital Revenue Bond converting from taxable to nontaxable municipal bond after purchase.

\*Blackrock's portfolio credit ratings from Moody's range from Aaa to NR with the breakout as follows: investment grade \$284,006, speculative grade \$256,259, and the remaining not rated by Moody's. The amounts not rated by Moody's were not rated by any of the three major rating agencies.

**Concentration of Credit Risk (Percent of Portfolio)**

The City's Policy establishes limitations on portfolio composition by investment type and by issuer to limit its exposure to concentration of credit risk. Without exception, the City's total investments with any one issuer cannot exceed 5% of the issuer's outstanding debt.

The City's Investment Policy(excluding the amounts covered under the Alternative Investment Policy) includes the following diversification schedule:

- A maximum of 25% of the short term portfolio, bond proceeds, debt service and water cost stabilization portfolios may be invested in either the Local Governments Surplus Funds Trust Fund.
- A maximum of 25% of the short term portfolio and 100% of the bond proceeds and debt service portfolios may be invested in checking and savings accounts and other investment contracts.
- Each portfolio may invest a maximum of 30% in non-negotiable CD's and BIC's.
- A maximum of 20% of the short term portfolio and 5% of the bond proceeds and debt service portfolios may invest in repurchase agreements.
- A maximum of 100% of the short term, bond proceeds and debt service portfolios and 20% of the water cost stabilization portfolio may be invested in money market funds (government only).
- A maximum of 20% of the short term portfolio may be invested in bankers acceptances.
- A maximum of 100% of the total short term, core and water cost stabilization portfolio and 80% of the debt service and bond proceeds portfolios may be invested in U.S. Government Treasuries.
- A maximum 50% in the short term portfolio, 100% in the core portfolio and water cost stabilization portfolio and 80% in the debt service and bond proceeds portfolios may be invested in U.S. Government Agency securities and U.S. Federal Instrumentalities (GSE).
- There should be no more than 50% in step ups in the short term, core and water cost stabilization portfolios.
- A maximum 20% in the short term and water cost stabilization portfolios may be invested in agency mortgage backed securities and collateralized mortgage obligations. A maximum 30% in the core and water cost stabilization portfolios may be invested in corporate notes and bonds.
- Commercial paper is limited to 20% of each of the short-term and core portfolios. Certificates of deposit for the short term, core, debt service, and water cost stabilization portfolios are limited to 30% of each portfolio, respectively.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

- A maximum of 10% of the short-term portfolio and 5% of the core portfolio may be invested in the Columbia Strategic Fund.
- A maximum 10% in the core portfolio and 20% in the water cost stabilization portfolios may be invested in corporate asset backed securities. The debt service and bond proceeds portfolios may invest in tax exempt municipal obligations as needed.
- A maximum of 30% of the core and water cost stabilization portfolios may be invested in taxable municipal obligations.
- Guaranteed investment contracts (GICs) may be invested at a maximum of 30% in the core and water cost stabilization portfolio and 50% in the bond proceeds and debt service portfolios.

The internally managed funds in the alternative investment policy may be invested in equity index/ETF funds for twenty-five percent of the investable balance within the Water Cost Stabilization Fund. The Alternative Investment Policy also has externally managed funds where they are limited to the Parks Preservation Fund and the Environmental Preservation Fund where the corpus of the funds balance is intended by City Council to remain intact, whereas only the investment income is used for appropriations. Externally managed funds may be invested in 60% equity and 40% fixed income allocation, with further diversification limited by asset class ranges, and guided by targets within each asset class as defined within the City's Alternate Investment Policy. Amounts covered by the Alternative Investment Policy have asset class limits, ranges, and targets to achieve diversification to minimize concentration risk. Amounts covered by the Alternative Investment Policy are limited to specific funds approved through policy to minimize concentration risk.

At September 30, 2017, individual issuers that represent 5% or more of total financial instruments by reporting unit were as follows:

Issuer	Investment Type	Investment %
Federal Home Loan Bank	Agency Bond	7.63%
Bank United	Certificates of Deposit	13.07%



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

F. PENSION PLANS DEPOSITS AND INVESTMENTS FAIR VALUE MEASUREMENT

The City maintains the City of St. Petersburg Employee's Retirement System ("ERS"), the City of St. Petersburg Firefighters' Retirement System ("Fire") and the City of St. Petersburg Police Officers' Retirement System ("Police") as three separate single employer defined benefit retirement systems (collectively "the pension plans"). Each pension plan is maintained in a fiduciary pension fund at the City and have separate investment policies approved by their respective pension boards. Investment policies are detailed in footnote 18(C).

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation.

The pension plans also have investments held through a real estate investment trust and hedge fund of funds for which fair value is estimated through the NAV reported by the investment manager as a practical expedient to fair value. Such investments have not been categorized within the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of fiduciary net position.

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The City's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability. The pension plans have the following recurring fair value measurements as of September 30, 2017:

	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System	Total	Level
Cash Equivalents					
Institutional money markets	\$ 13,961,077	782,441	6,908,421	\$ 21,651,939	1
Total Cash Equivalents	<u>13,961,077</u>	<u>782,441</u>	<u>6,908,421</u>	<u>21,651,939</u>	
Equity Investments:					
Common and Preferred Stock	197,707,966	14,830,328	241,032,112	453,570,406	1
Common and Preferred Stock	67,014,180	1,834,748	32,166,413	101,015,341	2
Mutual Funds - Equity	12,169,357	177,479,321	33,320,048	222,968,726	1
Pooled, Common and Collective Fund	-	8,494,354	-	8,494,354	1
DROP Investments - Mutual Funds	10,338,319	24,554,622	27,247,721	62,140,662	1
Fixed Income Investments:					
U.S. Treasuries securities	10,855,049	8,714,103	8,659,743	28,228,895	1
U.S. Agencies securities	13,941,506	13,884,238	20,171,838	47,997,582	2
Mutual Funds - Debt	10,433,847	-	5,596,294	16,030,141	2
Municipal Bonds	-	270,389	-	270,389	2
Corporate Bonds	51,795,117	33,470,389	28,258,980	113,524,486	2
Total investments at fair value	<u>374,255,341</u>	<u>283,532,492</u>	<u>396,453,149</u>	<u>1,054,240,982</u>	
Investments measured at NAV:					
Private equity funds	4,265,457	-	2,116,394	6,381,851	
Real estate fund	40,060,666	-	27,491,672	67,552,338	
Total investments at NAV	<u>44,326,123</u>	<u>-</u>	<u>29,608,066</u>	<u>73,934,189</u>	
Total investments	<u>\$ 418,581,464</u>	<u>283,532,492</u>	<u>426,061,215</u>	<u>\$ 1,128,175,171</u>	

Equity and debt securities classified as Level 1 are valued using prices quoted in active markets for those securities.

The City's fixed income securities classified as Level 2 are valued using either a bid evaluation or a matrix pricing technique. Bid evaluations may include market quotations, yields, maturities, call features and ratings. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices. These securities have nonproprietary information that was readily available to market participants, from multiple independent sources, which are known to be actively involved in the market.

Pooled, common and collective funds classified in Level 2 are valued using prices quoted in active markets for those investment types and the readily determinable fair value per share (unit) which is determined based on the publication of the price or on the basis of current transactions.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

**Investments in Entities that Calculate Net Asset Value per Share**

The Plans holds shares or interests in investment companies where the fair value of the investments are measured on a recurring basis using NAV per share (or its equivalent) of the investment companies as a practical expedient.

The valuation method for investments measured at NAV per share (or its equivalent) is presented on the following table:

**Investments Measured at the NAV:**

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Multi-strategy funds (1)	\$ 6,381,851	None	Semi-Annual	95 days written notice
Real estate funds (2)	67,552,338	None	Quarterly	60 days written notice
Total Investments Measured at the NAV	<u>\$ 73,934,189</u>			

(1) The multi strategy hedge funds class invests in hedge funds that pursue multiple strategies to diversify risks and reduce volatility. The hedge funds' composite portfolio for this class includes investments in approximately 17.5% cash and cash equivalents, 33.6% equities, 47.0% interest rate and credit and 1.9% other. The fair values of the investments in this class have been estimated using the net asset value per share of the investments. The Private Advisors Stable Value Fund is currently redeeming and is expected to be fully paid out by the end of 2018. In April 2016, Private Advisors, LLC announced the closure of the Private Advisors Stable Value funds due to a higher than expected level of redemptions in Q1 2016 as a result of the current market environment and recent performance. It is the intention of Private Advisors, LLC to return the full 100% of the assets, with a small remainder coming after the 12/31/2018 distribution. It is also important to point out that the remaining investments will be subject to market value fluctuations; so the total capital returned may be higher or lower than what has been estimated. Effective June 30th, the funds were not charged management or performance fees. The fifth compulsory redemption of approximately 3.38% of Private Advisors June 30, 2016 account balances occurred on August 8, 2017. This brings the cumulative distribution amount to approximately 90.7% of the beginning capital amount on June 30, 2017.

(2) The real estate funds invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the Plan's ownership interest in partners' capital. These investments can never be redeemed with the funds. Distributions from each fund will be received as the underlying investments of the funds are liquidated.

**G. PENSION PLANS INVESTMENT RISK DISCLOSURES**

**Custodial Risk**

As of September 30, 2017, the pension plans had no deposits or investments with custodial risk. Wells Fargo is the City's custodial bank for the three pension plans and ICMA-RC is the third party administrator and trust for the DROP investments.

**Interest Rate Risk (Weighted Average)**

The investment policies for the pension plans do not place limits on investment maturities. The pension funds are exposed to the risk of fair value losses arising from increasing interest rates based on the weighted average of fixed income instruments.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

As of September 30, 2017, the pension plans had the following fixed income investments with the corresponding effective duration by plan:

	Employees' Retirement System		Firefighters' Retirement System		Police Officers' Retirement System	
	Fair Value	Weighted Average (Years)	Fair Value	Weighted Average (Years)	Fair Value	Weighted Average (Years)
U.S. Treasury	\$ 10,855,049	5	\$ 8,714,103	11	\$ 8,659,743	7
U.S. Instrumentalities Bonds & Notes	13,941,506	8	13,884,238	23	20,171,838	6
Municipal Bonds	-		270,389	23	-	
Corporate Bonds	51,795,117	4	33,470,389	6	28,258,980	5
Total Pension Investments	<u>\$ 76,591,672</u>		<u>\$ 56,339,119</u>		<u>\$ 57,090,561</u>	

**Credit Risk (Credit Rating)**

The investment policies of the pension plans limit investments to the top four ratings of a nationally recognized rating agency.

As of September 30, 2017, the pension plans had the following fixed income investments with the corresponding credit ratings by plan:

	Credit Rating	Employees' Retirement System Market Value	Firefighters' Retirement System Market Value	Police Officers' Retirement System Market Value
<u>City Pension Investment Policy</u>				
U.S. Agencies securities	Aaa	\$ 13,166,418	\$ 12,906,362	\$ 19,306,118
Municipal Bonds	A2	-	270,389	-
Corporate Bonds	Aaa	3,995,373	905,739	1,647,995
	Aa1	1,628,514	314,336	1,263,310
	Aa2	508,295	1,813,142	516,785
	Aa3	1,035,649	396,920	1,243,458
	A1	4,852,632	3,813,512	5,674,560
	A2	5,320,607	5,697,058	8,331,264
	A3	8,703,696	9,118,810	7,351,125
	Baa1	8,892,828	8,343,132	1,243,044
	Baa2	12,075,640	2,185,885	512,695
	Baa3	3,301,340	415,433	474,744
	Not Rated	1,480,543	466,422	-
Total City Pension Investment Policy		<u>\$ 64,961,535</u>	<u>\$ 46,647,140</u>	<u>\$ 47,565,098</u>

The pension plans investments in U.S. Treasuries or U.S. agencies that are backed by the U.S. Government were not included in the above table. The corporate bonds not rated made the decision not to rate.

**Concentration of Credit Risk (Percent of Portfolio)**

The investment policy of the Employees' Retirement System limits investment in any single issuer to 10% of the total portfolio. The Firefighters' Retirement System and Police Officers' Retirement System limit investment in any single issuer to 5% of the total portfolio. Investments in shares of companies that have been publicly traded for less than one year are limited to no more than 15% of an investment managers total equity portfolio for both the Firefighters' Retirement System and Police Officers' Retirement System.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

At September 30, 2017, individual issuers that represent 5% or more of total financial instruments (other than investments issued or explicitly guaranteed by the U.S. Government and mutual funds) were as follows:

- In the Employees' Retirement System, the issuer UBS held 10.3% of the investment portfolio in alternative real estate funds.
- Police Officers' Retirement System, the issuer UBS held 6.76% of the investment portfolio in alternative real estate funds.

**Foreign Currency Risk**

The Employees' Retirement System and Police Officers' Retirement System respective investment policies permit investments of up to 10% of the total portfolio in foreign currency-denominated investments. The Firefighters' Retirement System permits investments up to 25% and the current position is 17% in equity co-mingled funds.

**NOTE 6 - RECEIVABLES**

Receivables as of year end for the City's individual major funds and nonmajor funds, and internal service funds (which are consolidated with the governmental funds on the Government-Wide Statement of Net Position for the Governmental Activities) in the aggregate, including the applicable allowances for uncollectible accounts, are as follows (in thousands of dollars):

Governmental Activities	General	LOSSI (*)	General Capital Improvements	Grants	Nonmajor Governmental	Internal Service	Total
Accounts	\$ 1,276	\$ 24	\$ -	\$ 403	\$ 908	\$ 1,480	\$ 4,091
Taxes	4,579	-	-	-	-	-	4,579
Accrued Interest	-	-	199	-	-	-	199
Notes	-	-	-	25,221	15,181	-	40,402
Assessments	102	-	-	-	-	-	102
Total Governmental	5,957	24	199	25,624	16,089	1,480	49,373
Less: Allowance for uncollectible	(46)	-	-	(20,129)	(9,129)	(100)	(29,404)
Net Governmental Receivable	\$ 5,911	\$ 24	\$ 199	\$ 5,495	\$ 6,960	\$ 1,380	\$ 19,969

\*Local Option Sales Surtax Improvement

The Community Redevelopment District Fund and the Downtown Redevelopment District Fund did not have any receivables as of September 30, 2017.

Internal service fund receivables are related to charges for services that Billings & Collections collects for utility billing on behalf of other governmental entities.

Business-Type Activities	Water Resource	Stormwater	Sanitation	Tropicana Field	Nonmajor Enterprise Funds	Total
Accounts	\$ 7,894	\$ 1,192	\$ 2,609	\$ 88	\$ 4,707	\$ 16,490
Accrued Interest	1,529	-	-	-	-	1,529
Unbilled Revenues	4,089	-	119	-	-	4,208
Assessments	6	-	4,436	-	-	4,442
Total Business-Type	13,518	1,192	7,164	88	4,707	26,669
Less: Allowance for uncollectible	(432)	(318)	(1,370)	-	(4,196)	(6,316)
Net Business Type Receivable	\$ 13,086	\$ 874	\$ 5,794	\$ 88	\$ 511	\$ 20,353

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 6 – RECEIVABLES – (Continued)**

Amounts actually written off during the year were \$73,677 for the General Fund, \$261,966 for the Water Resources Fund, \$10,935 for the Stormwater Fund, \$28,599 for the Sanitation Fund, and \$102,607 for internal service funds. The City had a recovery of \$22,754 to the nonmajor Governmental Funds and \$303,129 to the nonmajor enterprise funds.

The City had notes receivable in the following funds at September 30, 2017. The allowance for uncollectible notes relates to deferred and forgiven loans. The net accounts receivable balance is representative of amortized loans.

**GRANTS FUND**

Community Development Block Grants	Mortgage notes of various term dates and interest rates for residential rehabilitation loans from the Community Development Block Grants, due in various monthly payments	\$ 170,350
Various %		

Neighborhood Stabilization Program	Mortgage notes of various term dates from individuals for home-buyer assistance loans from the Neighborhood Stabilization Program, due in various monthly payments.	112,156
Various %		

HOME Grants	Mortgage notes of various term dates from individuals for residential rehabilitation and home buyer assistance loans, and from multi-family developers for acquisition, rehabilitation and or construction loans from the HOME Grants, due in various monthly payments.	4,809,527
Various %		

\$ 5,092,033

**SPECIAL REVENUE FUNDS**

Local Housing Assistance Trust	Mortgage notes of various term dates from individuals for residential rehabilitation and home buyer assistance loans, and from multi-family developers for acquisition, rehabilitation and or construction loans from the State Housing Initiative Partnership Program, due in various monthly payments	4,119,769
-		

Community Housing Trust	Mortgage notes of various dates and interest rates for multi-family developer acquisition and rehabilitation/construction notes from the Community Housing Trust Grants, due in monthly payments including interest.	2,449,657
Various%		

\$ 6,569,426

**CAPITAL PROJECTS FUNDS**

Housing Capital Improvement	Mortgage notes of various dates from individuals for down payments, closing costs, and disabled retrofit of homes due in various monthly payments and due dates.	\$ 43,485
Various %		

Total Governmental Notes Receivable	<u><u>\$ 11,704,944</u></u>
-------------------------------------	-----------------------------

The previously held note with Neighborhood Lending Partners of West Florida (NLP) for \$1,216,214 in construction and leasehold improvements at Tangerine Plaza was extinguished during fiscal year 2017 as the City obtained a leasehold interest in the property through foreclosure auction. Tangerine Plaza is located on city owned land and will continue to serve the community as a shopping plaza.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 7 - CONTRACTS RECEIVABLE - DUE FROM OTHER GOVERNMENTAL AGENCIES**

The City had contracts receivable due from other Governmental Agencies in the following funds at September 30, 2017.

ENTERPRISE FUNDS

Water Resources

4.84% - 5.03%	Contract receivable from Tampa Bay Water Authority for sale of \$ well fields and pipelines, due in monthly payments of \$139,481 including interest, through September 2028.	13,881,925
	Less Current Portion	<u>(976,294)</u>
	Total Non-Current Portion	<u>\$ 12,905,631</u>

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2017 is presented in the following schedules:

Primary Government

<u>Governmental Activities</u>	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Capital assets, not being depreciated:					
Land	\$ 120,547,417	\$ 67,225	\$ -	\$ -	\$ 120,614,642
Construction in progress	<u>8,029,893</u>	<u>29,505,515</u>	<u>(6,626,993)</u>	<u>(12,878,935)</u>	<u>18,029,480</u>
Total Capital Assets, not being depreciated	<u>128,577,310</u>	<u>29,572,740</u>	<u>(6,626,993)</u>	<u>(12,878,935)</u>	<u>138,644,122</u>
Capital assets, being depreciated:					
Buildings and systems	136,064,084	742,906	(1,774,460)	197,283	135,229,813
Improvements and Infrastructure	414,005,957	3,980,549	(1,854,166)	(6,760)	416,125,580
Utility Systems	-	-	-	-	-
Machinery and equipment	<u>131,155,878</u>	<u>9,143,909</u>	<u>(6,424,603)</u>	<u>(25,332,396)</u>	<u>108,542,788</u>
Total Capital Assets being depreciated	<u>681,225,919</u>	<u>13,867,364</u>	<u>(10,053,229)</u>	<u>(25,141,873)</u>	<u>659,898,181</u>
Less accumulated depreciation for:					
Buildings and systems	(70,493,049)	(2,926,537)	1,607,778	(28,580)	(71,840,388)
Improvements and Infrastructure	(256,592,655)	(11,804,267)	1,845,184	2,963	(266,548,775)
Machinery and equipment	<u>(97,277,621)</u>	<u>(10,950,913)</u>	<u>6,382,050</u>	<u>19,041,256</u>	<u>(82,805,228)</u>
Total accumulated depreciation	<u>(424,363,325)</u>	<u>(25,681,717)</u>	<u>9,835,012</u>	<u>19,015,639</u>	<u>(421,194,391)</u>
Total Capital Assets, being depreciated, net	<u>256,862,594</u>	<u>(11,814,353)</u>	<u>(218,217)</u>	<u>(6,126,234)</u>	<u>238,703,790</u>
Governmental activities Capital Assets, net	<u>\$ 385,439,904</u>	<u>\$ 17,758,387</u>	<u>\$ (6,845,210)</u>	<u>\$ (19,005,169)</u>	<u>\$ 377,347,912</u>

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 8 - CAPITAL ASSETS - (Continued)**

<u>Business Type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfer</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 29,789,081	\$ -	\$ -	\$ -	\$ 29,789,081
Construction in progress	23,421,682	91,998,508	(37,327,809)	8,055,580	86,147,961
Total Capital Assets, not being depreciated	53,210,763	91,998,508	(37,327,809)	8,055,580	115,937,042
Capital assets, being depreciated:					
Buildings and systems	270,341,234	157,716	(20,000)	(197,283)	270,281,667
Improvements other than buildings	88,110,550	413,690	(1,448,714)	1,575,497	88,651,023
Machinery and equipment	41,395,267	4,459,887	(1,968,064)	27,035,895	70,922,985
Utility Systems	1,007,733,223	30,561,915	(1,741,246)	1,551,119	1,038,105,011
Total Capital Assets being depreciated	1,407,580,274	35,593,208	(5,178,024)	29,965,228	1,467,960,686
Less accumulated depreciation for:					
Buildings and systems	(120,208,231)	(5,394,076)	-	28,580	(125,573,728)
Improvements other than buildings	(63,103,521)	(2,764,174)	1,448,714	(2,963)	(64,421,945)
Machinery and equipment	(33,097,034)	(3,216,710)	1,813,870	(19,041,256)	(53,541,127)
Utility Systems*	(405,091,580)	(21,183,402)	(1,882)	-	(426,276,865)
Total accumulated depreciation	(621,500,366)	(32,558,362)	3,260,702	(19,015,639)	(669,813,665)
Total Capital Assets, being depreciated, net	786,079,908	3,034,846	(1,917,322)	10,949,589	798,147,021
Business-type Activities Capital Assets, net	\$ 839,290,671	\$ 95,033,354	\$ (39,245,131)	\$ 19,005,169	\$ 914,084,063

\*Other adjustment included in decrease

**Depreciation Expense**

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

**Governmental Activities:**

General Government	\$ 480,901
Community and Economic Development	1,347,511
Public Safety – Police	1,864,240
Public Safety – Fire and EMS	1,683,691
Public Works, including depreciation of general infrastructure assets	15,226,992
Recreation, Culture and Social	5,078,382
Total depreciation expense – governmental activities	<u>\$ 25,681,717</u>

**Business-type Activities:**

Water Resources	\$ 18,433,491
Stormwater	4,068,860
Sanitation	2,055,589
Tropicana	3,580,310
Other nonmajor business-type funds	4,420,112
Total depreciation expense – business-type activities	<u>\$ 32,558,362</u>



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 8 - CAPITAL ASSETS - (Continued)**

**Construction Commitments**

Encumbrance commitments in the City's capital projects funds represent construction contracts and special order equipment outstanding for the City's capital improvement projects. The capital project encumbrances outstanding at September 30, 2017 as well as the estimate of additional costs to complete open capital projects in progress in each of the City's capital project funds is summarized as follows:

	Capital Projects Encumbrances	Estimated Additional Costs to Complete Projects in Progress	Total Additional Costs to Complete Projects in Progress
<b>CAPITAL PROJECTS FUNDS</b>			
General Capital Improvement	\$ 66,597,567	\$ 115,492,725	\$ 182,090,292
Local Option Sales Surtax Improvement	16,530,680	57,412,535	73,943,215
Transportation Improvement	1,644,557	10,309,459	11,954,016
Housing Improvement	-	161,806	161,806
Downtown Parking Garage	1,080	2,207,777	2,208,857
Weeki Wachee	1,329,349	2,072,095	3,401,444
Total Capital Projects Funds	<u>\$ 86,103,233</u>	<u>\$ 187,656,397</u>	<u>\$ 273,759,630</u>
<b>ENTERPRISE FUNDS</b>			
Water Resources	\$ 62,587,746	\$ 87,943,454	\$ 150,531,200
Stormwater	1,857,816	9,624,961	11,482,777
Tropicana	-	223,033	223,033
Other nonmajor business-type funds	875,502	8,845,080	9,720,582
Total Enterprise Funds	<u>\$ 65,321,064</u>	<u>\$ 106,636,528</u>	<u>\$ 171,957,592</u>

**Consent Order and Plan for the City's Public Utilities System:**

On September 16, 2016, the City received a proposed Consent Order from the FDEP to address the issues associated with the wastewater discharges from the collections system and Water Reclamation Facilities owned and operated by the City. The proposed Consent Order contemplates a number of corrective actions previously submitted by the City to the FDEP which are designed to increase capacity and mitigate overflows and discharges during future wet weather events.

On July 26, 2017, the City with the Florida Department of Environmental Protection filed a final consent plan to address the issues associated with the wastewater discharges from the collections system and Water Reclamation Facilities owned and operated by the City. The final consent order outlines a timeline for the City to comply with the rebuilding and restructuring of the facilities throughout the City, including developing a Water Resources Master Plan, as well as fines if the final order is not complied with.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 8 - CAPITAL ASSETS - (Continued)**

On September 21, 2017 City Council approved the hiring of a new program manager for the City's Integrated Water Resource Planning Project and continues to move forward with the final plan to implement upgrades and enhancements to its wastewater system as well as develop a Water Resources Master Plan. Proposed suggested plans include enhancements such as aeration of City ponds and additional street sweeping which all focus on sustainability and water quality issues. The new program manager will work with an international technical services firm to create a one-water plan which will increase the understanding of how potable (drinking) water, wastewater, stormwater, reclaimed water and recreational water uses overlap and interface, all of which is key in moving forward with an integrated initiative. The final order with the Florida Department of Environmental Protection requires the City to spend \$14 million per year on pipe and lateral lining and replacement and manhole rehabilitation for at least the next five years, which was approved by City Council on October 20, 2016. The proposed plan with the Florida Department of Environmental Protection to address certain issues related to the Public Utilities System would increase capital improvement projects over the next five fiscal years by \$326 million.

**NOTE 9 - DISCRETELY PRESENTED COMPONENT UNIT**

St. Petersburg Health Facilities Authority  
Schedule of Revenue, Expenditures, and Changes in Fund Balance - Budget and Actual

	Original and Final Budget	Actual	Variance With Final Budget Over /Under
Revenues	\$ 14,000	\$ 392	\$ (13,608)
Expenditures	14,000	733	13,267
Excess of Revenues Over Expenditures	-	(341)	(341)
Budgetary Fund Balance October 1, 2016	70,627	70,857	230
Reserve for Encumbrances – October 1, 2016	-	-	-
Budgetary Fund Balance September 30, 2017	<u>\$ 70,627</u>	<u>70,516</u>	<u>\$ (111)</u>

**NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, TRANSFERS, AND ADVANCES**

The composition of due to/from other funds as of September 30, 2017, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	General Capital Improvements	\$ 174,479
	Tropicana Field	86,221
	Nonmajor Governmental Funds	307,640
	Nonmajor Enterprise Fund	533,144
	Total	<u>\$ 1,101,484</u>

The purpose of interfund receivables and payables is to meet temporary cash flow requirements and timing between receiving and recognizing certain revenues including overdrafts related to equity in pooled cash and investments.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, TRANSFERS, AND ADVANCES**  
**(continued)**

The composition of advances to/from other funds as of September 30, 2017, is as follows:

Advances to Other Funds	Advances from Other Funds	Amount
General Fund	Jamestown Complex	\$ 298,000
	Golf Course Airport	1,450,380
	Water Resources	2,271,233
		<u>3,800,000</u>
	Total	<u>\$ 7,819,613</u>

The General Fund advanced monies to Jamestown Complex, the Golf Course and the Airport in fiscal years 2013 to 2017 as part of the budget cleanup ordinance due to lower than expected revenues or for capital projects underway. These advances are considered long term and are expected to be repaid through future earnings. The General Fund and the Water Resources Operating Fund advanced \$3.8 million each to Water Resources Capital Projects to fund certain capital projects in advance of debt financing. The Water Resources Capital Projects advances were repaid subsequent to year end.

The composition of interfund transfers during fiscal year 2017 are as follows:

**Interfund Transfers of Financial Assets:**

	General Fund	Community Redevelopment District	Downtown Redevelopment District	LOSSI*	General Capital Improvement	Nonmajor Govt.	Internal Service	Water Resources	Stormwater	Sanitation	Tropicana	Nonmajor Business-Type	Total Transfers Out
General Fund	\$ -	\$ 1,302,555	\$ 7,434,899	\$ -	\$ 37,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,511,000	\$ 875,000	\$ (11,160,954)
Community Redevelopment	-	-	-	-	2,219,202	-	-	-	-	-	-	-	(2,219,202)
Downtown Redevelopment	-	-	-	-	200,000	5,788,906	-	-	-	-	-	-	(5,988,906)
LOSSI*	5,329	-	-	457,900	700,000	-	-	-	-	-	-	-	(1,163,229)
General Capital Improvement	46,000	-	-	-	-	159,381	-	-	-	-	-	-	(205,381)
Grants	-	-	-	-	-	303,460	-	-	-	-	-	-	(303,460)
Nonmajor Governmental	394,911	-	-	-	49,053,353	2,197,973	-	-	-	-	-	-	(51,646,237)
Internal Service	-	-	-	-	2,000,000	-	178,618	3,625,746	2,581,130	322,451	-	387,759	(9,095,704)
Water Resources	12,028,524	-	-	-	-	-	-	-	15,500	-	-	-	(12,044,024)
Stormwater	2,153,976	-	-	-	-	-	-	24,748	-	-	-	-	(2,178,724)
Sanitation	2,886,111	-	-	-	-	-	-	-	-	-	-	-	(2,886,111)
Nonmajor Business-type	1,046,124	-	-	-	-	850,000	-	-	-	-	-	8,166	(1,904,290)
Total Transfers in	\$ 18,560,975	\$ 1,302,555	\$ 7,434,899	\$ 457,900	\$ 54,210,055	\$ 9,299,720	\$ 178,618	\$ 3,650,494	\$ 2,596,630	\$ 322,451	\$ 1,511,000	\$ 1,270,925	\$ -

\*Local Option Sales Surtax Improvement

Bond covenants and City financial policies require the use of interfund transfers to move financial resources from funds legally designated to receive them to funds required to expend the resources. Business-type fund payments-in-lieu of taxes are also reported as interfund transfers to the General Fund.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 11 – OPERATING LEASES**

The City (as lessee) has entered into several non-cancelable operating lease agreements for equipment and property which end on various dates through 2022, some with options for additional terms. The total cost of the fiscal year 2017 was \$433,290. The following is a schedule by years of the future rentals on non-cancelable leases:

Fiscal Year Ending September 30:	2018	\$	239,097
	2019		150,892
	2020		99,791
	2021		79,444
	2022		45,547
Total Minimum Future Rentals		\$	<u>614,771</u>

**NOTE 12 - LONG - TERM OBLIGATIONS**

The following is a summary of changes in long-term liabilities of the City for the fiscal year ended September 30, 2017 (in thousands of dollars):

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds & Notes Payable:					
Revenue Bonds	\$ 72,545	\$ -	\$ (1,895)	\$ 70,650	\$ 2,080
Notes	13,418	55,180	(3,347)	65,251	3,318
	<u>85,963</u>	<u>55,180</u>	<u>(5,242)</u>	<u>135,901</u>	<u>5,398</u>
Bonds - Unamortized					
Premiums/Discounts	4,441	-	(473)	3,968	-
Total Bonds and Notes Payable	<u>90,404</u>	<u>55,180</u>	<u>(5,715)</u>	<u>139,869</u>	<u>5,398</u>
Claims and Judgments	50,632	51,886	(46,450)	56,068	12,595
Compensated Absences	14,493	2,335	(736)	16,092	719
Supplemental Payments Liability	1,162	12	-	1,174	-
Contingent Liability	1,564	-	(37)	1,527	37
Subtotal before Pension and OPEB					
Liabilities	<u>158,255</u>	<u>109,413</u>	<u>(52,938)</u>	<u>214,730</u>	<u>18,749</u>
Net Pension Liability	57,939	14,934	-	72,873	-
OPEB Liability	<u>57,075</u>	<u>6,580</u>	<u>-</u>	<u>63,655</u>	<u>-</u>
Governmental Activity Long-term					
Liabilities	<u>\$ 273,269</u>	<u>\$ 130,927</u>	<u>\$ (52,938)</u>	<u>\$ 351,258</u>	<u>\$ 18,749</u>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS (continued)**

<u>Business Type Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds, Notes Payable:					
Revenue Bonds	\$ 372,265	\$ 98,140	\$ (55,510)	\$ 414,895	\$ 7,895
Notes	26,965	22,556	(6,792)	42,729	3,770
	399,230	120,696	(62,302)	457,624	11,665
Bonds - Unamortized Premiums/Discounts	7,430	6,796	(351)	13,875	-
Notes - Unamortized Premiums/Discounts	(9)	9	-	-	-
Total Bonds, Notes Payable	406,651	127,501	(62,653)	471,499	11,665
Compensated Absences	3,927	468	(180)	4,215	180
Subtotal before Pension and OPEB Liabilities	410,578	127,969	(62,833)	475,714	11,845
Net Pension Liability	14,294	3,536	-	17,830	-
OPEB Liability	15,255	1,849	-	17,104	-
Business Type Activity Long-term Liabilities	<u>\$ 440,127</u>	<u>\$ 133,354</u>	<u>\$ (62,833)</u>	<u>\$ 510,648</u>	<u>\$ 11,845</u>

For more information on the liquidation of governmental long term obligations such as bond payments, note payments, claims, compensated absences pension obligation and other post-employment obligations in governmental funds see Note 1 (8). Liabilities are liquidated based on the individual employees or retirees fund and department of employment.

**Overview**

The City of St. Petersburg issues revenue bonds for the purposes of acquiring or constructing capital assets or to refund previously issued debt in order to take advantage of favorable interest rate conditions. Revenue bonds are secured by specific revenue streams to be used to pay debt service. The City has no general obligation debt, which is debt that is secured by Ad Valorem Real Property Tax Revenues.

The authority resolutions for various revenue bonds and loan agreements of the City require deposits to restricted accounts throughout the fiscal year and the maintenance of required minimum balances to be on deposit in such accounts. At September 30, 2017, the City believes it is in compliance with these requirements.

**Summary of New Debt Issuances**

On October 18, 2016, the City executed \$53,025,000 in Public Utility Refunding Revenue Bonds, Series 2016B. The Public Utility Refunding Revenue Bonds, Series 2016B proceeds are being used to advance refund the City's outstanding Public Utility Revenue Bonds, Series 2009A which mature on or after October 1, 2039. The 2016B Series has serial bonds due through October 1, 2036 with interest rates varying between 3.00% and 5.00% and a \$26,810,000 term bond due

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

October 1, 2039 at 3.00%. The bonds are secured by the net revenue of the combined water, wastewater, reclaimed water and stormwater systems.

On October 26, 2016, the City executed \$45,115,000 in Public Utility Revenue Bonds, Series 2016C. The Public Utility Revenue Bonds, Series 2016C proceeds are being used to replace and rehabilitate existing facilities and Water Treatment Plan Optimization at Water Treatment Plants and pump stations, replacement of existing pipelines and facilities in the Water Treatment and Distribution System, replace and rehabilitate the Wastewater Collection System, rehabilitate existing facilities and enhancement of reliability of treatment processes to Water Reclamation Facilities, improve facility generator power to the Water Resources Complex, and the acquisition, construction and erection of improvements to the System. The Public Utility Revenue Bonds, Series 2016C has serial bonds due through October 1, 2035 with interest rates varying between 4.00% and 5.00% and two term bonds for \$3,750,000 due October 1, 2037 at 4.00% and \$20,020,000 due October 1, 2046 at 4.00%. The bonds are secured by the net revenue of the combined water, wastewater, reclaimed water and stormwater systems.

During fiscal year 2017 the City had additional drawdowns in the amount of \$16,821,000 on the state revolving fund WW520630 loan.

On March 8, 2017 the City executed \$2,525,000 and \$3,210,000 in Non Ad Valorem Revenue Notes, Series 2017A and Non Ad Valorem Refunding Revenue Notes, Series 2017B, respectively. The Non Ad Valorem Revenue Notes, Series 2017A proceeds are being used to fund capital expenditures relating to capital improvements to the City's marina. The Non Ad Valorem Refunding Revenue Notes, Series 2017B proceeds are being used to advance refund the City's outstanding Improvement and Refunding Revenue Bonds, Series 2007 which mature on or after July 1, 2017.

On May 12, 2017 the City executed \$40,095,000, \$12,515,000 and \$2,570,000 in Non Ad Valorem Revenue Notes Series 2017C, Series 2017D and Taxable Non Ad Valorem Revenue Note (Qualified Energy Conservation Bond) Series 2017E, respectively. The Non Ad Valorem Revenue Note, Series 2017C proceeds are being used to fund capital expenditure relating to the construction of the new Police Headquarters. The Non Ad Valorem Revenue Note, Series 2017D proceeds are being used to fund capital expenditures relating to the construction of the police training facility and police headquarters parking garage. The Taxable Non Ad Valorem Revenue Note (QECB), Series 2017E proceeds are being used to fund capital expenditures relating to solar panels at City facilities.

**Contingent Liabilities**

On December 21, 2007, the City entered into an agreement with The Young Men's Christian Association of Greater St. Petersburg, Florida, Inc. (YMCA). The agreement laid out the terms of a new construction project at the Child's Park Sports Complex. The YMCA agreed to build, operate and manage a new YMCA Community Center and the City desired to operate a branch of the City's library system and provide for a community meeting room/auditorium for the benefit and use by the citizens of St. Petersburg within the newly constructed complex. The City committed to contributing \$1,000,000 towards the construction.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
 September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

The building was completed in October 2008. Per the terms of the agreement, upon completion, the YMCA donated the building to the City and the City subsequently leased it back to the YMCA for \$30 for thirty years, with an extension option for another thirty years. (The building is included in Buildings and Systems under Governmental Activities in Note 8 – Capital Assets). In the event of early termination of the lease by the City or if the City refuses to grant a request for the new lease extension, the City shall reimburse the YMCA for the unamortized portion of its total project costs less the \$1,000,000 that the City has already contributed. This liability is contingent upon the City terminating the lease. The YMCA's portion of the cost (net of the \$1,000,000 paid by the City) of \$1,860,910 shall be amortized over a 50-year period, per the terms of the lease. The annual amortization of \$37,218 will be recognized as contribution revenue. During fiscal year 2017, \$37,218 was amortized and recognized as contribution revenue on the government wide financial statements leaving a balance of \$1,526,947 at September 30, 2017, which is included in summary of the long term obligations for Governmental Activities.

**State Revolving Fund Loans**

Since 1998, the City has requested and received loans from the Florida Department of Environmental Protection (FDEP) under its State Revolving Fund (SRF) loan program. The loans represent direct grants from the U.S. Environmental Protection Agency. The City has entered into seven SRF agreements for wastewater facilities, five with the FDEP and two with the FL Water Pollution Control Financing Corporation. The City is required to make semi-annual principal and interest payments over twenty years beginning two years after the state loans approval. The State Revolving Fund Loans are subordinate to the Public Utility Revenue Bonds.

The following loans, interest rates, and maturities are included in the business-type activities notes payable (in thousands of dollars):

<u>Loan Approval Date</u>	<u>Issue Date</u>	<u>Loan Number</u>	<u>Original Loan Amount</u>	<u>Remaining Loan Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
April 17, 1998	09/15/00	CS120521010	\$ 13,228	\$ 2,635	3.11% -3.18%	09/15/20
May 4, 2000	11/15/02	CS120521020	3,587	1,229	3.33%	11/15/22
Nov 2, 2001	09/15/03	CS12052104P	446	163	3.05%	09/15/23
Nov 8, 2001	09/15/04	CS120521030	5,852	2,149	2.93% - 3.05%	09/15/23
Dec 5, 2003	01/15/04	WW52105L	4,519	1,757	2.96%	01/15/24
May 18, 2011	04/08/14	WW520600	6,487	5,235	2.67%	11/15/32
			<u>34,119</u>	<u>13,168</u>		

**Loans Currently in Drawdown:**

Feb 3, 2016	N/A	WW520630	\$ 20,370,668
-------------	-----	----------	---------------

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

In February 2016, the City executed a Clean Water State Revolving Fund Construction Loan Agreement with the Florida Department of Environmental Protection for an authorized award amount of \$40,000,000 as loan WW520630 with a financing rate of 0.45% per annum. In August 2016 and October 2017 the City was awarded additional segment funding under this award in the amount \$9,884,249 and \$4,049,316, respectively. The loan is to finance \$53,933,565 in construction of wastewater pollution control facilities as approved by the Florida Department of Environmental Protection.

The agreement is effective as of November 10, 2015 and any invoices submitted for work on or after that date are eligible for reimbursement. The project is scheduled for completion July 15, 2019, at such time the loan debt service account should be established and monthly loan deposits should begin no later than July 15, 2019. After the final disbursement of loan proceeds, the 40 semiannual loan payments will be based on actual project costs, the actual loan service fee and loan service fee capitalized interest. As of September 30, 2017, the City has expended \$20,370,668 in eligible costs under the loan agreement.

**Annual Debt Service Requirements to Maturity**

Debt Service requirements at September 30, 2017 were as follows (in thousands of dollars):

<u>Governmental Activities</u>						
Year End	<u>Revenue Bonds</u>			<u>Notes</u>		
	Principal	Interest	Principal	Interest	Subsidy (1)	
2018	\$ 2,080	\$ 2,335	\$ 3,318	\$ 1,300	\$ (85)	
2019	2,230	2,265	12,324	1,092	(79)	
2020	2,440	2,186	12,395	854	(74)	
2021	2,705	2,096	29,904	457	(70)	
2022	5,645	1,941	2,695	152	(66)	
2023-2027	29,135	6,346	3,411	338	(255)	
2028-2032	26,415	2,007	984	141	(114)	
2033	-	-	220	4	(3)	
	<u>\$ 70,650</u>	<u>\$ 19,176</u>	<u>\$ 65,251</u>	<u>\$ 4,338</u>	<u>\$ (746)</u>	

<u>Business-Type Activities</u>							
	<u>Water Resources</u>				<u>Stormwater</u>		
	<u>Revenue Bonds</u>			<u>Notes (2)</u>		<u>Revenue Bonds</u>	
Year End	Principal	Interest	(1) Subsidy	Principal	Interest	Principal	Interest
September 30							
2018	\$ 7,525	\$ 15,472	\$ (1,170)	\$ 1,940	\$ 372	\$ 370	\$ 345
2019	8,494	15,143	(1,164)	2,000	312	376	339
2020	8,125	14,835	(1,158)	2,062	250	1,770	320
2021	8,940	14,554	(1,151)	1,054	181	1,800	289
2022	9,243	14,232	(1,144)	1,364	170	1,832	257
2023-2027	51,508	65,612	(5,601)	2,639	431	9,652	787
2028-2032	70,488	54,945	(5,339)	1,904	170	4,102	72
2033-2037	91,230	39,805	(4,939)	205	3	-	-
2038-2042	101,945	18,809	(2,271)	-	-	-	-
2043-2047	37,495	2,531	-	-	-	-	-
Total	\$ 394,993	\$ 255,938	\$ (23,937)	\$ 13,168	\$ 1,889	\$ 19,902	\$ 2,409



**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

*Note 1: Anticipated Direct Subsidy Payments for the 2017E BOA Non-Ad Valorem Revenue Note, the 2010A Public Utility Revenue Bonds (Build America Bonds) and the 2010B Public Utility Revenue Bonds not reduced by possible sequestration reductions (Recovery Zone Economic Development Bonds). Outstanding amount to be received in FY 2017 is reduced by 6.60% sequestration while remaining years are not reduced.*

*Note 2: Does not include Clean Water State Revolving Fund Construction loan WW52063. The total amount expended is \$20,370,668 as of September 30, 2017.*

Year End September 30	Business-Type Activities			
	<u>Sanitation</u>		Non-Major Business Activities	
	Notes		Notes	
	Principal	Interest	Principal	Interest
2018	\$ 1,250	\$ 45	\$ 580	\$ 140
2019	1,260	25	595	129
2020	280	14	600	117
2021	285	10	615	105
2022	285	6	625	93
2023-2027	290	2	1,315	321
2028-2032	-	-	1,210	98
Total	<u>\$ 3,650</u>	<u>\$ 102</u>	<u>\$ 5,540</u>	<u>\$ 1,003</u>

**Deferred Outflows of Resources - Debt Refunding**

At September 30, 2017 the City reported the following changes in deferred outflows of resources related to the deferred amounts on refunding for bonds.

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Balances, Beginning	\$ 913,290	\$ 4,422,952	\$ 5,336,242
Additions (new issuances)	-	4,194,746	4,194,746
Reductions	(165,119)	(331,889)	(497,008)
Balances, Ending	<u>\$ 748,171</u>	<u>\$ 8,285,809</u>	<u>\$ 9,033,980</u>

See Note 18 for the changes in deferred outflows of resources related to pension resources.

**Debt Payable and Interest Requirements to Maturity**

Bonds and Notes outstanding at September 30, 2017 mature in varying amounts during succeeding fiscal years through 2047. Interest rates are as follows: 1.75% to 6.60% on Revenue Bonds and 1.44% to 5.50% on Notes Payable. For detailed information on the City's debt, also refer to the Debt Supplement Report prepared by the Finance Department available on the City's web site.

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

Debt payable and interest requirements at September 30, 2017 were as follows (in thousands of dollars):

	Original Issue Par	Debt Payable 9/30/17	Interest Requirements To Maturity	Total
<b><u>Revenue Bonds</u></b>				
2014 Professional Sports Facility Bond, Series 2014	\$ 16,340	\$ 14,845	\$ 1,775	\$ 16,620
2016A Public Service Tax Revenue Bonds (Pier)	37,695	37,695	12,139	49,834
2016B Public Service Tax Revenue Bonds (Pier Approach)	18,510	18,110	5,262	23,372
2009B Public Utility Refunding Revenue Bonds	23,375	6,065	307	6,372
2010A Public Utility Revenue - Build America Bonds	29,685	27,760	29,446	57,206
2010B Public Utility Revenue - Recovery Zone	19,695	19,695	30,292	49,987
2013A Public Utility Revenue Bonds	41,925	40,130	27,988	68,118
2013B Public Utility Refunding Revenue Bonds	43,500	42,260	20,744	63,004
2013C Public Utility Revenue Bonds	21,995	24,995	20,516	45,511
2014A Public Utility Revenue Bonds	34,245	33,545	19,127	52,672
2014B Public Utility Refunding Revenue Bonds	43,230	42,360	22,601	64,961
2015 Public Utility Revenue Bonds	30,190	30,190	18,486	48,676
2016A Public Utility Refunding Bonds	49,755	49,755	6,019	55,774
2016B Public Utility Refunding Bonds	53,025	53,025	28,909	81,934
2016C Public Utility Revenue Bonds	45,115	45,115	33,912	79,027
Total Revenue Bonds	<u>\$ 508,280</u>	<u>485,545</u>	<u>277,523</u>	<u>763,068</u>
Less: Direct Subsidy Payments (Note 1)		-	(23,937)	(23,937)
Less: Unamortized Premiums and Discounts		17,843	-	17,844
Net Revenue Bonds		<u>503,388</u>	<u>253,586</u>	<u>756,975</u>
<b><u>Notes Payable</u></b>				
2008B Bank of America Note	1,874	716	72	788
2010 BB&T Note	4,520	870	36	906
2011 JP Morgan Chase Note	21,522	8,485	239	8,724
2014 Hancock Bank Note	6,075	3,650	102	3,752
2017A TD Bank Commission Note-Marina Project	2,525	2,525	822	3,347
2017B TD Bank Commission Note- Marina Project (Refund 2007)	3,201	3,015	181	3,196
2017C TD Bank Non-Ad Valorem Revenue Note	40,095	40,095	2,244	42,339
2017D TD Bank Non-Ad Valorem Revenue Note	12,515	12,515	826	13,341
2017E BOA Non-Ad Valorem Revenue Notes	2,570	2,570	920	3,490
State Revolving Loans (Note 2)	34,118	13,168	1,888	15,056
Total Notes Payable	<u>\$ 129,015</u>	<u>87,609</u>	<u>7,330</u>	<u>94,939</u>
Less: Direct Subsidy Payments (Note 1)		-	(746)	(746)
Net Notes Payable		<u>87,609</u>	<u>6,584</u>	<u>94,193</u>
Total Bonds and Notes		<u>\$ 590,997</u>	<u>\$ 260,170</u>	<u>\$ 851,168</u>

*Note 1: Anticipated Direct Subsidy Payments for the 2017E BOA Non-Ad Valorem Revenue Note, 2010A Public Utility Revenue Bonds (Build America Bonds) and the 2010B Public Utility Revenue Bonds not reduced by possible sequestration reductions (Recovery Zone Economic Development Bonds). Outstanding amount to be received in FY 2017 is reduced by 6.60% sequestration while remaining years are not reduced.*

*Note 2: Excludes State Revolving Loan WW520630.*

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

**Pledged Revenue**

The City has pledged certain revenues to repay bonds and notes outstanding as of September 30, 2017. The following table reports the revenues pledged for each debt issue; the amounts of such revenues received in the current year; the current year principal and interest paid on the debt; the approximate percentage of each revenue pledged to meet the debt obligation; the maturity date of each debt agreement; and the total pledged future revenues for each debt issuance, which is the amount of the remaining principal and interest (not including interest subsidy) on the bonds and notes at September 30, 2017 (in thousands of dollars).

Description of Issue	Pledged Revenue	Revenue Received	Principal & Interest Paid	Estimated % of Revenues Pledged	Outstanding Principal & Interest	Pledged Through
<b>Governmental Activities</b>						
Banc of America Leasing and Capital Taxable Non Ad Valorem Revenue Note (QECB) (Solar Panels at City Facilities)	State Revenue Sharing, State Sales Tax, Tourist Development Tax	\$ 146,840	\$ -	-	%	\$ 3,490 2032
Professional Sports Facility Sales Tax Refunding Revenue Bonds, Series 2014 (Refunding Series 2003 Bonds: Tropicana Field and Parking)	State Sales Tax	\$ 2,000	\$ 1,905	95.25	%	\$ 16,620 2025
Bank Of America N.A. Taxable Non Ad Valorem Revenue Note, Series 2008B (Refinance Sunshine State Governmental Financing Commission Notes: Section 108 HUD Loan)	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ 198	0.13	%	\$ 788 2021
BB&T Non Ad Valorem Revenue Note, Series 2010 (Projects at the Progress Center for the Arts, the Pier and Grant Funds for the Salvador Dali Museum)	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ 230	0.16	%	\$ 906 2020
TD Bank Non Ad Valorem Revenue Note, Series 2017C and 2017 D (Police Facilities)	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ -	-	%	\$ 55,681 2022
JP Morgan Chase Non Ad Valorem Refunding Revenue Note, Series 2011 (Refinance Bank of America 2008A Notes: Section 108 HUD Loan, FL International Museum & Mahaffey Theater Project)	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ 3,245	2.21	%	\$ 8,724 2020
Public Service Tax Revenue Bonds, Series 2016A and 2016B (Pier and Pier Approach Projects)	Public Service Tax	\$ 27,646	\$ 2,433	8.80	%	\$ 73,206 2020
Total Governmental Activities			<u>\$ 8,011</u>		<u>\$ 159,415</u>	

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

Description of Issue	Pledged Revenue	Revenue Received	Principal & Interest Paid (1) (2)	Estimated % of Revenues Pledged		Outstanding Principal & Interest (1)	Pledged Through
<b><u>Business Type Activities</u></b>							
Public Utility Revenue Bonds, Series 2005, 2009A, 2010A, 2010B, 2013A, 2013C, 2014A, 2015 and Public Utility Refunding Revenue Bonds, Series 2006, 2009B, 2013B, 2014B, 2016A (Water, Wastewater and Reclaimed Water Projects)	Net Operating Revenues of the Water & Wastewater System	\$ 51,788	\$ 117,519	226.92	%	\$ 671,700	2046
Hancock Bank Revenue Notes, Series 2014	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ 1,274	0.87	%	\$ 3,752	2023
State Revolving Fund Loans (Construction and Improvement Projects to Wastewater Facilities) (3)	Net Operating Revenues of the Water & Wastewater System	\$ 51,788	\$ 2,312	4.46	%	\$ 35,428	2032
TD Bank Non Ad Valorem Revenue Note Series 2017A and 2017B (Marina)	Legally Available Non Ad-Valorem Revenues	\$ 146,840	\$ 45	0.03	%	6,543	2031
Total Business-Type Activities			<u>\$ 121,150</u>			<u>\$ 717,423</u>	

*Note 1: Not reduced by Interest Subsidies received for the 2010A and 2010B Public Utility Revenue Bonds.*

*Note 2: Principal and interest paid on Public Utility Revenue Bonds includes \$49 million in principal reductions and \$47 million in interest reductions due to the early payoff of Public Utility Revenue Bonds, Series 2009A that was refunded with Public Utility Refunding Revenue Bonds, Series 2016B.*

*Note 3: Does not include Clean Water State Revolving Fund Construction loan WW520630. The total amount expended is \$20,370,668 as of September 30, 2017.*

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

**Debt Service to Maturity by Revenue Source**

**Governmental Activities** (in thousands of dollars):

Fiscal Year	General Fund	Tax Increment Financing City	Financing County	County	State Awards	Federal Awards	Interest Subsidy	Fund Balance	Total
2018	\$ 1,035	3,426	2,381	-	1,925	298	85	(117)	\$ 9,033
2019	1,030	3,408	2,369	8,980	1,924	294	79	(173)	17,911
2020	868	3,425	2,380	9,140	1,921	290	74	(223)	17,875
2021	520	3,535	2,457	29,345	1,928	199	70	(2,892)	35,162
2022	232	3,399	2,362	2,550	1,923	-	66	(99)	10,433
2023-2027	899	17,002	11,815	2,595	5,274	-	255	1,390	39,230
2028-2032	1,011	13,597	9,449	-	-	-	114	5,376	29,547
2033	221	-	-	-	-	-	3	-	224
	\$ 5,816	\$ 47,792	\$ 33,213	\$ 52,610	\$ 14,895	\$ 1,081	\$ 746	\$ 3,262	\$ 159,415

**Business-Type Activities** (in thousands of dollars):

Fiscal Year	Water Resources Operating	Stormwater Operating	Sanitation Operating	Marina Operating	BAB's Interest Subsidy	Earnings on Investments	Fund Balance	Total
2018	\$ 19,549	718	1,295	720	1,167	144	4,451	\$ 28,044
2019	24,108	2,105	296	724	1,161	137	147	28,678
2020	24,193	2,104	297	717	1,155	148	(236)	28,378
2021	23,733	2,105	293	720	1,148	155	(167)	27,987
2022	23,728	2,105	294	718	1,140	154	(177)	27,962
2023-2027	114,477	10,524	-	1,637	5,580	790	(427)	132,581
2028-2032	125,575	2,104	-	1,308	5,308	787	(2,070)	133,012
2033-2037	127,526	-	-	-	4,853	749	(1,862)	131,266
2038-2042	101,435	-	-	-	1,840	794	16,708	120,777
2043-2047	19,069	-	-	-	-	155	20,811	40,035
	\$ 603,393	21,765	2,475	6,544	23,352	4,013	37,178	\$ 698,720

**NOTE 13 – ARBITRAGE REBATE**

In accordance with the Tax Reform Act of 1986, any interest earnings on borrowed construction funds in excess of the interest costs are required to be rebated to the federal government.

There is no arbitrage rebate liability as of September 30, 2017.

**NOTE 14 – CONDUIT DEBT OBLIGATION**

The City has issued Private Activity Bonds to provide tax exempt borrowing to private-sector entities for the acquisition and construction of industrial, commercial and health facilities deemed to be in the public's interest.

The bonds are secured by the property and the net operating revenues of the borrowing entity and are payable solely from these sources.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 14 – CONDUIT DEBT OBLIGATION (continued)**

Upon repayment of the bonds, ownership of the acquired facilities is transferred to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision therefore is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2017, there were four series of Private Activity Bonds outstanding relating to health facilities that have been issued since June 2012, with original issue amounts of \$177.5 million. At September 30, 2017, the aggregate principal amount of all Outstanding Private Activity Bonds is \$147 million.

**NOTE 15 – NET INTEREST EXPENSE ON DEBT**

The computation of interest expense on debt in the Enterprise Funds, net of capitalized interest at September 30, 2017 is shown below:

	Water Resources	Stormwater	Sanitation	Marina
Interest Paid on Debt	\$ 14,756,591	\$ 217,678	\$ 61,416	\$ 186,202
Less: Accrued Interest 9/30/16	(7,279,746)	(43,536)	(35,136)	(35,242)
Plus: Accrued Interest 9/30/17	7,897,295	174,143	26,280	35,061
Interest Expense on State Revolving Loan	429,787	-	-	-
Amortization of Deferred Gain/Loss on Bond Refunding	296,405	35,484	-	-
Total Interest Cost	16,100,332	383,769	52,560	186,021
Less: Capitalized Interest	(3,214,759)	-	-	-
Net Interest Expense on Debt Before Interest Subsidy	12,885,573	383,769	52,560	186,021
Interest Subsidy	(1,178,819)	-	-	-
Accrued Interest Subsidy 9/30/16	547,827	-	-	-
Accrued Interest Subsidy 9/30/17	(547,467)	-	-	-
Net Interest Subsidy	(1,178,459)	-	-	-
Net Interest Expense on Debt	\$ 11,707,114	\$ 383,769	\$ 52,560	\$ 186,021

The Airport nonmajor enterprise fund paid \$39,463 in interest expense to the General Fund on their outstanding advance.

**NOTE 16 – RESTRICTED ASSETS**

The balances of the restricted asset accounts for debt service principal and interest and utility systems renewal and replacement in the business-type activities are as follows:

Revenue bonds current debt service amount	\$ 17,700,199
Revenue bonds and notes payable debt service reserve	14,750,889
Debt proceeds for construction (unexpended)	53,694,194
Total	\$ 86,145,282

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 16 – RESTRICTED ASSETS (continued)**

The balances of the restricted asset accounts for debt service principal and interest and construction of the Pier and Pier Approach in the governmental activities are as follows:

Revenue bonds current debt service amount	\$ 3,424,062
Bond proceeds for construction (unexpended)	106,209,611
Total	<u>\$ 109,633,673</u>

**NOTE 17 – RISK MANAGEMENT**

The City's self insurance programs are accounted for in the Insurance Internal Service Fund. The City is self-insured for the following types of risk exposures, which are limited by insurance coverage as noted. Settled liability, workers' compensation claims, and health insurance claims have not exceeded the self insured statutory limits in any of the past five years. The City has not made any claims under the City's property insurance policies in the past five years.

**General and Automotive Liability:**

State statutes limit municipal liability associated with tort actions to \$200,000 per person and \$300,000 per occurrence (for occurrences after October 1, 2011) except under certain circumstances. The State Statute limited claims to \$100,000 per person and \$200,000 before October 1, 2011. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2017.

**Property Damage:**

The City has established an account to fund the premium on the property insurance policies that cover City facilities on a blanket basis. The unrestricted net position of the Insurance Fund would be used to fund the damages under the insurance deductibles.

**Workers' Compensation:**

The City is self-insured for all Workers' Compensation benefits as defined by State Statute. The funding is provided by charges to the various departments of the City based on payroll and the workers' compensation rates as defined in the State classification codes. The Workers Compensation rates are charged by payroll class and claims. These are reviewed annually by the Bureau of Self Insurance, Division of Workers' Compensation, Department of Labor and Employment Security, State of Florida. Non incremental claims adjustment expenses are included as part of the liability for claims. Historically, the City self-administered its Workers' Compensation claims, and beginning May 2016 the City contracted with Commercial Risk Management, Inc. for third party administrative services. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2017.

**Group Medical:**

The City was fully insured for group medical coverage through March 31, 2011. On April 1, 2011, the City contracted with United Health Care to administer the self-funded group medical insurance plan. The plan is funded by employee contributions and by City contributions and is maintained in the City's Insurance internal service fund. The City contributions are allocated to the different funds of the City based on employee participation in the plan.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 17 – RISK MANAGEMENT - (Continued)**

At September 30, 2017, the health insurance fund had net position of \$16,313,439. Included as a liability of the fund at September 30, 2017 was incurred but not reported claims (IBNR) of \$3,079,978.

Life Insurance – Public Safety Officers:

Florida State Statutes require the employer of any public safety officer under 70 years of age, who, while on duty, is killed or injured resulting in death within 180 days of the injury, to pay a \$50,000 death benefit to the officer's designated beneficiary. In addition, thru the collective bargaining agreement, the City has agreed to provide life insurance, at no cost to the employee, in an amount equal to annual base pay rounded to the nearest thousand dollars for officers, sergeants and lieutenants.

The City provides life insurance in the amount \$35,000 for fire captains and fire district chiefs. The City also provides a short term disability program for management employees as a supplement to the extended illness leave program. The City is self-insured for these liabilities.

Operating funds are charged premiums, based on risk for workers' compensation; employee participation for health and life insurance; loss experience for general and auto liability; and the premium portion of insured risks by the Insurance Internal Service Fund. The claim liabilities were determined by an actuarial valuation using a discount rate of 2.5% for September 30, 2017, 2016, and 2015. Non-incremental claims adjustment expenses are included as part of the liability for claims. Estimated claims liabilities for all self-insured risks are reported as accrued claims in the Insurance Fund which includes an estimate for incurred but not reported claims.

The incurred claims in the following reconciliation of claims liabilities includes prior years' estimated claims settled without payment and year-end adjustment to estimated claims liability.

	Health Insurance	Workers' Compensation	Auto & General Liability	Total
Balance 9/30/14	\$ 2,907,912	\$ 35,768,000	\$ 6,139,000	\$ 44,814,912
Paid Claims	(38,398,447)	(4,528,191)	2,419,018	(40,507,620)
Incurred Claims	37,886,206	8,341,191	1,094,982	47,322,379
Balance 9/30/15	2,395,671	39,581,000	9,653,000	51,629,671
Balance 9/30/15	2,395,671	39,581,000	9,653,000	51,629,671
Recoveries (Paid) Claims	(40,436,322)	(6,434,133)	(3,079,827)	(49,950,282)
Incurred Claims	41,483,058	7,332,133	137,827	48,953,018
Balance 9/30/16	3,442,407	40,479,000	6,711,000	50,632,407
Balance 9/30/16	3,442,407	40,479,000	6,711,000	50,632,407
Recoveries Claims	(41,630,191)	(3,664,804)	(1,154,623)	(46,449,618)
Incurred Claims	41,267,762	7,888,804	2,729,623	51,886,189
Balance 9/30/17	<u>\$ 3,079,978</u>	<u>\$ 44,703,000</u>	<u>\$ 8,286,000</u>	<u>\$ 56,068,978</u>

Current portion of claims liabilities were estimated at \$3,079,978 for Health Insurance, \$6,013,000 for Workers' Compensation and \$3,502,000 for Auto and General Liability as of September 30, 2017. Actuarial valuation of the claims liabilities were calculated as of September 30, 2015, 2016 and 2017, respectively.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS**

*Fiduciary Net Position - Pension Trust*  
September 30, 2017

	<b>Employees Retirement Fund</b>	<b>Fire Pension Fund</b>	<b>Police Pension Fund</b>	<b>Total</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 585,402	\$ 546,635	\$ 746,654	\$ 1,878,691
Trustee Accounts	13,961,077	782,441	6,908,421	21,651,939
Receivables:				
Interest and Dividends	709,023	506,976	590,626	1,806,625
Accounts	10,140	-	-	10,140
Unsettled Investment Sales	379,574	30,496	418,107	828,177
Prepays and Deposits	6,918	6,918	6,918	20,754
Investments, at Fair Value:				
DROP Investments	10,338,319	24,554,622	27,247,721	62,140,662
Government Securities	24,796,555	22,868,730	28,831,581	76,496,866
Corporate Bonds	51,795,117	33,470,389	28,258,980	113,524,486
Common and Preferred Stock	264,722,146	16,665,076	273,198,525	554,585,747
Mutual Funds	22,603,204	177,479,321	38,916,342	238,998,867
Alternative Investments	44,326,123	8,494,354	29,608,066	82,428,543
<b>Total Assets</b>	<u>434,233,598</u>	<u>285,405,958</u>	<u>434,731,941</u>	<u>1,154,371,497</u>
<b>Liabilities</b>				
Accounts	542	21,250	75	21,867
Unsettled Investment Purchases	2,625,891	-	26,075	2,651,966
DROP Liability	10,338,319	24,554,622	27,247,721	62,140,662
<b>Total Liabilities</b>	<u>12,964,752</u>	<u>24,575,872</u>	<u>27,273,871</u>	<u>64,814,495</u>
<b>Net Position</b>				
Net Position Restricted for Pensions	421,268,846	260,830,086	407,458,070	1,089,557,002
<b>Total Net Position</b>	<u>\$ 421,268,846</u>	<u>\$ 260,830,086</u>	<u>\$ 407,458,070</u>	<u>\$ 1,089,557,002</u>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

*Changes in Fiduciary Net Position - Pension Trust*  
*Fiscal Year Ended September 30, 2017*

	<b>Employees Retirement Fund</b>	<b>Fire Pension Fund</b>	<b>Police Pension Fund</b>	<b>Total</b>
<b>ADDITIONS</b>				
Contributions				
Employer (Charges to Other Funds)	\$ 10,310,841	\$ 1,378,771	\$ 7,562,663	\$ 19,252,275
Employees	1,524,795	1,175,184	2,413,249	5,113,228
State Insurance Fund	-	1,735,698	1,969,105	3,704,803
Total Contributions	<u>11,835,636</u>	<u>4,289,653</u>	<u>11,945,017</u>	<u>28,070,306</u>
Investment Income				
Net Increase (Decrease) in Fair Value of Investments	37,486,478	23,594,538	37,560,020	98,641,036
Interest on Investments	2,148,496	2,246,003	1,612,855	6,007,354
Dividends on Stock	6,496,036	3,839,409	7,425,037	17,760,482
Total Investment Income	<u>46,131,010</u>	<u>29,679,950</u>	<u>46,597,912</u>	<u>122,408,872</u>
Less Investment Expense	<u>(1,645,556)</u>	<u>(480,569)</u>	<u>(1,528,238)</u>	<u>(3,654,363)</u>
Net Investment Income	<u>44,485,454</u>	<u>29,199,381</u>	<u>45,069,674</u>	<u>118,754,509</u>
<b>Total Additions</b>	<u>56,321,090</u>	<u>33,489,034</u>	<u>57,014,691</u>	<u>146,824,815</u>
<b>DEDUCTIONS</b>				
Benefits	20,010,232	14,945,355	22,935,743	57,891,330
Deferred Retirement Option Contributions	2,201,137	2,846,354	4,800,611	9,848,102
Refunds on Contributions	175,280	31,057	142,359	348,696
Administrative Expenses	18,013	46,677	33,715	98,405
<b>Total Deductions</b>	<u>22,404,662</u>	<u>17,869,443</u>	<u>27,912,428</u>	<u>68,186,533</u>
<b>Change in Net Position</b>	<u>33,916,428</u>	<u>15,619,591</u>	<u>29,102,263</u>	<u>78,638,282</u>
<b>Net Position - October 1</b>	<u>387,352,418</u>	<u>245,210,495</u>	<u>378,355,807</u>	<u>1,010,918,720</u>
<b>Net Position - September 30</b>	<u>\$ 421,268,846</u>	<u>\$ 260,830,086</u>	<u>\$ 407,458,070</u>	<u>\$ 1,089,557,002</u>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting. The pension plans are reported using the economic resources measurement focus and the accrual basis of accounting. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plans. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred.

Investments. For financial reporting, the pension plans' investments are reported at fair value. Corporate bonds, the shares of mutual funds, common and preferred stocks, and U.S. government securities are valued at the closing price reported on the active market on which the individual securities are traded. Alternative investments are valued at the net asset value ("NAV") of share held by the plan at year end. For actuarial valuation, the difference between the actual investment rate of return and the expected investment return (8% assumption for fire & police, 7.75% for general employees) each year is recognized over 5 years. In order to be used as valuation assets, the smoothed value must be within the range of 80% to 120% of market value.

Internal Loans. The pension plans do not allow participant loans.

Administrative Expenditures. The City incurs most of the administrative costs of the retirement systems in the General Fund, however, administrative costs which are charged to the retirement systems are funded from system contributions and earnings; they are also expended annually in the actuarial valuations.

B. DESCRIPTION OF THE PLANS

The City maintains the City of St. Petersburg Employees' Retirement System ("ERS"), the City of St. Petersburg Firefighters' Retirement System ("Fire") and the City of St. Petersburg Police Officers' Retirement System ("Police") as three separate single employer defined benefit retirement systems (collectively "the pension plans").

Each of the three pension plans has a prior plan and supplemental plan component. The prior plan component covers employees prior to January 1, 1964, for ERS and prior to October 1, 1970, for Police and Fire employees and does not include Social Security coverage.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

The supplemental plan component of each pension plan provides for Social Security coverage after the previously noted dates. There are no active employees in the prior plans.

The pension plans cover full-time City employees and are maintained as Pension Trust Funds and reported on herein as part of the City's reporting entity; therefore the pension plans do not issue stand-alone financial reports.

Management employees and employees not covered by a collective bargaining agreement (effective 10/22/09) have the option of a defined contribution plan under ICMA Retirement Corporation in lieu of membership in ERS.

Plan Administration. Each pension plan has a board of trustees which administer the systems. The composition of the board of trustees is as follows:

- The ERS board consists of the City's Finance Director, the Mayor or his designee, two employee elected members who shall each serve a term of four years and one individual chosen by a majority of the previous four members for a four year term.
- The Fire board consists of two individuals who reside within City limits appointed by City Council for a period of four years, two employee elected members who each serve for a period of two years, and one individual chosen by a majority of the previous four members and appointed by City Council, acting in its ministerial capacity for a period of four years.
- The Police board consists of two individuals who reside within City limits appointed by City Council for a period of four years, two employee elected members who each serve for a period of four years, and one individual chosen by a majority of the previous four members and appointed by City Council, acting in its ministerial capacity for a period of four years.

City Ordinance is the establishing and amending authority for all the supplemental plans included in the three pension plans and the ERS prior plan. The Police and Fire prior plans establishing and amending authority is through Special State Act.

Plan Membership. The pension plans have the following classes and number of plan members as of the latest actuarial valuation 10/1/2016:

<b>Number of Participants</b>	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Retirees and beneficiaries receiving benefits	1,288	466	667
Terminated plan participants entitled to but not yet receiving benefits	212	6	51
Active plan participants	1,540	259	465
<b>Total</b>	<b>3,040</b>	<b>731</b>	<b>1,183</b>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

Benefits Provided. The authority under which benefit terms are established or may be amended is at the City Ordinance level for the supplemental plans included in the three retirement systems and the prior plan in ERS. The authority under which benefit terms are established or may be amended for the prior plans included in the Police and Fire plans is through Special State Act. The Fire and Police plans receive funds from the State pursuant to Chapters 175 and 186, Florida Statutes, respectively.

All pension plans provide retirement, disability and death benefits. Benefit provisions under the three pension plans are shown individually below.

**Employees' Retirement System**

Members age 60, or age 55 with 25 years of credited services, or age 50 with 30 years of credited service are eligible for normal retirement benefits. Normal retirement benefits for the members under the prior plan are average monthly salary (the highest five years during all years of credited service) times the sum of 2% times years of credited service prior to October 1, 1972 and 2.5% times years of credited service earned after October 1, 1972. Normal retirement benefits for the members under the supplemental plan are average monthly salary times a percentage derived as follows:

<b>Years of credited service during:</b>	<b>Percentage</b>
Before January 1, 1964	2.00%
January 1, 1964 to September 30, 1972	1.00%
October 1, 1972 to February 29, 1980	1.50%
March 1, 1980 to February 28, 1990	2.00%
March 1, 1990 to February 29, 2000	1.50%
March 1, 2000 and later	2.00%

Members that are totally and permanently service incurred disabled before normal retirement eligibility and approved by the pension board are entitled to disability benefits, reduced by amounts payable under worker's compensation. Service incurred disability benefits under the prior plan are 65% of average monthly salary. Service incurred disability benefits under the supplemental plan are the member's accrued pension benefit based on average monthly salary at the date of disability and credited service projected to age 65 (this benefit plus initial social security benefit cannot exceed covered salary at the date of disability, nor can it be less than 65% of average monthly salary). For non-service incurred disabilities, both the prior and supplemental plan provide benefits if the disability occurs after the member attains seven years of credited service. The non-service incurred disability benefit is greater of the member's accrued pension benefit at the date of disability or 30% of average monthly salary. The Employee's Retirement System provides death of disabled member benefits and pre-retirement death benefits under both the prior and supplemental plan.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

A plan member who leaves City service may withdraw his or her accumulated contribution with interest of 3% plus, if employed on or before September 30, 1989, the specified employer contributions deposited on the member's behalf, without interest. If accumulated contributions are not withdrawn from the plan, the vested accrued benefit is payable to the member beginning at age 60 for life.

Benefit terms provide that a cost of living adjustment factor shall be applied to the current benefit of all eligible retirees and beneficiaries each year. Such adjustments shall not be greater than 2% for any retiree under the prior plan or 1.5% under the supplemental plan.

**Firefighters' Retirement System**

Members with 20 years of credited service under the prior plan and members at the earlier of 30 years of credited service, age 50 with 10 years of credit service, 20 years of credited service before reaching 50 (benefits commence at 50) or attaining age 55, under the supplemental plan are eligible for normal retirement benefits. Retirement benefits for the members under the prior plan are 50% of the highest pay step of the lowest rank held during the 3 previous years, plus 2% for each year of service in excess of 20 years (maximum amount of 60%). Retirement benefits for the members under the supplemental plan are 3% per year of credited service times average monthly salary (average monthly salary during highest 3 years of creditable service) effective January 1, 2004.

Members in the supplemental plan with 25 years of credited service are eligible for early retirement benefits. Early retirement benefits are normal retirement benefits reduced 2% for each year prior to age 50, or if earlier, the date 30 years of credited service would be attained.

Members that are totally and permanently service incurred disabled before normal retirement eligibility are entitled to disability benefits. Service incurred disability benefits under the prior plan are 60% of the highest pay step of rank at the time of disability. Service incurred disability benefits under the supplemental plan are the greater of the member's accrued pension benefit at the date of disability or 60% of average monthly salary, reduced by certain amounts payable under workers' compensation. For non-service incurred disabilities under the prior plan the benefit is 2.5% of the prevailing wage rank held for each year of service, plus 7.5% for each child under 18; total not to exceed 50%. For non-service incurred disabilities under the supplemental plan the benefit is the greater of the member's accrued pension benefit at the date of disability or 25% of average monthly salary plus 7.5% of earnings base for each unmarried child under 18. The Firefighters' Retirement System also provides death of disabled member benefits and pre-retirement death benefits under both the prior and supplemental plan.

A member who leaves City service with less than ten years of credited service may withdraw his or her accumulated contributions without interest. If accumulated contributions are not withdrawn from the plan, the vested accrued benefit is payable to the member beginning at age 50.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

In the supplemental plan, benefit terms provide that a cost of living adjustment factor shall be applied to members available only upon recommendation of the Mayor and approval of the City Council. In addition, members retired on or after October 1, 2008 who are at least 60 receive a 2% annual adjustment subject to availability of State premium tax reserve funding. In the prior plan, cost of living adjustments are in accordance with changes in compensation of rank held.

**Police Officers' Retirement System**

Members with 20 years of credited service under the prior plan and members at the earlier of 25 years of credited service or age 55 under the supplemental plan are eligible for normal retirement benefits. Retirement benefits for the members under the prior plan are 50% of the highest pay step of the lowest rank held during the 3 previous years, plus 2% for each year of service in excess of 20 years (maximum amount of 60%). Retirement benefits for the members under the supplemental plan are 3% per year of credited service times earnings base (average monthly salary during last 3 years of creditable service) effective January 1, 2004.

Members in the supplemental plan age 50 with 10 years of credited service are eligible for early retirement benefits. Early retirement benefits are normal retirement benefits reduced 3% for each year prior to age 55.

Members that are totally and permanently service incurred disabled before normal retirement eligibility are entitled to disability benefits, reduced by amounts payable under workers' compensation. Service incurred disability benefits under the prior plan are 60% of the highest pay step of rank at the time of disability. Service incurred disability benefits under the supplemental plan are the greater of the member's accrued pension benefit at the date of disability or 60% of earnings base. For non-service incurred disabilities under the prior plan the benefit is 2.5% of the prevailing wage rank held for each year of service, plus 7.5% for each child under 18; total not to exceed 50%. For non-service incurred disabilities under the supplemental plan the benefit is the greater of the member's accrued pension benefit at the date of disability or 25% of earnings base, plus 7.5% of earnings base for each unmarried child under 18. The Police Officers' Retirement System provides death of disabled member benefits and pre-retirement death benefits under both the prior and supplemental plan.

A member who leaves City service with less than ten years of credited service may withdraw his or her accumulated contributions without interest. If accumulated contributions are not withdrawn from the plan, the vested accrued benefit is payable to the member beginning at age 55 for life. If the present value of the vested accrued benefit is less than \$5,000, the benefit will be distributed in a lump sum.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

In the supplemental plan, benefit terms provide that a cost of living adjustment factor shall be applied to each pension where the member whose name the pension account was originally established has or would have attained aged 60 prior to October 1 each year. The cost of living adjustment will equal the annual percentage increase in the Consumer Price Index (CPI) for the preceding fiscal year (October 1 to September 30) or 2%, whichever is less. In the prior plan, cost of living adjustments are in accordance with changes in compensation of rank held.

Contributions. The State of Florida has established guidelines for state and local pension plan funding that requires submission to and approval of the local government's actuarial reports by a State Bureau, at least every third year. The City's pension plans, by policy, (1) require annual actuarial reports as of October 1 of each year, (2) receive employer contributions based on the actuarially determined requirement which includes funding from the State of Florida as required by Florida Statute and (3) use the same assumptions (see funding policy section) for determining the employer contribution required. The contribution revenues received from the State of Florida "on behalf" of the City's employees totaled \$1,735,698 and \$1,969,105 for the Firefighter's Retirement System and Police Officers' Retirement System, respectively. The "on behalf" contributions were recognized as state insurance fund contribution revenues in the current year. The total City payroll for the fiscal year ended September 30, 2017, is approximately \$191.7 million. The Firefighter's Retirement System and Police Officers' Retirement System require employee contributions based on a percentage of covered payroll of 7% and 7% for the supplemental plans, respectively. Participants in the Employees' Retirement System supplemental plan contribute 2% of the employees covered payroll. Employee contribution rates are established and amended by the plans respective board.

For the year ended September 30, 2017, the City's average contribution rates as a percentage of covered payroll are as follows:

	Covered Payroll	Contribution	Average Contribution Rate
Employees' Retirement System	\$ 77,392,386	\$ 10,310,841	13%
Firefighters' Retirement System	16,264,742	1,378,771	8%
Police Officers' Retirement System	35,120,540	7,562,663	22%

**C. INVESTMENTS**

Investment Policies.

The pension plans investment policies are pursuant to Florida Statute 112.661.

**Employees' Retirement System**

The ERS policy in regards to the allocation of invested assets is established and amended by their respective Board of Trustees. The general investment objective is to obtain a reasonable total rate of return – defined as income plus realized and unrealized capital gains and losses – commensurate with the Prudent Man Rule of the Employee Retirement Income Security Act of



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

1974 (ERISA) and achieve growth in purchasing power. Specifically, the investment objective is to earn a return over time exceeding the assumed actuarial rate of 7.75% and should earn a return greater than inflation, as measured by the Consumer Price Index, by 3.0% per year. The investment managers may exercise full investment discretion within the prescribed investment policy guidelines. Significant provisions of the investment policy are as follows:

- Interest Rate Risk: Does not place limits on investment maturities.
- Credit Risk: Limits investments to the top four rating of a nationally recognized rating agency.
- Concentration Credit Risk: Limits investment in any single issuer up to 10% of the total portfolio.
- Foreign Currency Risk: Permits investments of up to 10% of the total portfolio in foreign currency denominated investments.

The following was the Board's adopted asset allocation policy as of September 30, 2017 by investment manager type:

	<u>% Range</u>	<u>% Target</u>
<b>Traditional Asset Classes</b>		
<b>Equity Managers</b>		
Large capitalization value manager	17.50 - 12.50%	15.00%
Large capitalization growth manager	17.50 - 12.50%	15.00%
Small/mid capitalization value manager	7.50 – 2.50%	5.00%
Small/mid capitalization growth manager	7.50 – 2.50%	5.00%
International value manager	10.00 – 5.00%	7.50%
International growth manager	10.00 – 5.00%	7.50%
Public real estate (REIT)	0.00%	0.00%
<b>Total Equity</b>	<b>70.00 – 40.00%</b>	<b>55.00%</b>
<b>Fixed Income Managers</b>	<b>30.00 – 20.00%</b>	<b>25.00%</b>
<b>Total Traditional Asset Classes</b>		<b>80.00%</b>
<b>Alternative Asset Classes</b>		
Private real estate	15.00 – 5.00%	10.00%
Hedge fund of funds	10.00 – 0.00%	5.00%
Master Limited Partnerships	10.00 – 0.00%	5.00%
Managed futures	0.00%	0.00%
Private equity	0.00%	0.00%
<b>Total Alternative Asset Classes</b>		<b>20.00%</b>
<b>Total Traditional &amp; Alternative</b>		<b>100%</b>

The ERS Board of Trustees updated the investment policy asset allocation in August 2017 to update the asset allocation within the traditional asset classes. The asset allocation to large cap value manager and large cap growth manager decreased from 17.5% to 15% and the international value manager and international growth manager of funds allocation increased from 5% to 7.5%.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

Firefighters' Retirement System

The Fire policy in regards to the allocation of invested assets is established and amended by their respective Board of Trustees. The general investment objective is to preserve the purchasing power of the plan's assets and earn a reasonable real rate of return (after inflation) over the long term while minimizing the short term volatility of results. The specific objectives include an average rate of return greater than 8% over the longer term (3 to 5 years), to earn an average annual rate of return which exceeds the Consumer Price Index by 4.5% over the longer term (3 to 5 years), to achieve a rate of return over the long term (3 to 5 years) which exceeds the return of a Target Index (see below) and to rank in the top 50% of total rate of return when compared to a representative universe of other similarly managed portfolios. The investment managers may exercise full investment discretion within the prescribed investment policy guidelines. Significant provisions of the investment policy are as follows:

- Interest Rate Risk: Does not place limits on investment maturities.
- Credit Risk: Limits investments to the top four rating of a nationally recognized rating agency.
- Concentration Credit Risk: No more than 5% (at cost) of an investment manager's portfolio may be invested in a single corporate issuer. Investments in the shares of companies that have been publicly traded for less than one year are limited to no more than 15% of an investment manager's total equity portfolio.
- Foreign Currency Risk: Permits investments of up to 25% of the total portfolio in foreign currency denominated investments.
- Adherence with Section 175, Florida Statutes and Section 112.661, Florida Statutes
- Alternative investments shall be made through partnership in diversified commingled funds, mutual funds or limited partnership vehicles.

The following was the Board's adopted asset allocation policy as of September 30, 2017 by investment manager type:

	<b>Target Allocation (at market)</b>	<b>Permissible Range (at market)</b>	<b>Representative Benchmark</b>
<b>Traditional Asset Classes</b>			
<b>Equity Managers</b>			
Domestic Equity	70.00 - 30.00%	43.00%	Russell 3000 / 1000 / 2000
Foreign Equity	25.00 - 5.00%	10.00%	EAFE
<b>Total Equity</b>		<b>53.00%</b>	
<b>Fixed Income &amp; Equivalents</b>			
Fixed Income	70.00 - 25.00%	32.00%	Barclays Capital Agg / GC
Cash Equivalents	10.00 - 0.00%	0.00%	Treasury Bills
<b>Total Fixed Income &amp; Equivalents</b>		<b>32.00%</b>	
<b>Total Traditional Asset Classes</b>		<b>85.00%</b>	
<b>Alternative Asset Classes</b>	20.00 - 0.00%	15.00%	CPI + 4.50%
<b>Total Traditional &amp; Alternative</b>		<b>100.00%</b>	

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

Police Officers' Retirement System

The Police policy in regards to the allocation of invested assets is established and amended by their respective Board of Trustees. The general investment objective is to preserve the purchasing power of the plan's assets and earn a reasonable rate of return (after inflation) over the long term while minimizing the short-term volatility results. Specifically, the investment objective is to earn an average annual rate of return over the long term which exceeds the Consumer Price Index by 4.5% and to earn a total rate of return over the longer term which exceeds the return of a Target Index (see Target Index below). The investment managers may exercise full investment discretion within the prescribed investment policy guidelines. Significant provisions of the investment policy are as follows:

- Interest Rate Risk: Does not place limits on investment maturities.
- Credit Risk: Limits investments to the top four rating of a nationally recognized rating agency.
- Concentration Credit Risk: Limits investment in any single issuer up to 5% of the total portfolio. Investments in the shares of companies that have been publicly traded for less than one year are limited to no more than 15% of an investment manager's total equity portfolio.
- Foreign Currency Risk: Permits investments of up to 10% of the total portfolio in foreign currency denominated investments.
- Adherence with Section 185, Florida Statutes.

The following was the Board's adopted asset allocation policy as of September 30, 2017 by investment manager type:

	<b>% Range</b>	<b>% Target</b>	<b>Target Index</b>
<b>Traditional Asset Classes</b>			
<b>Equity Managers</b>			
Large capitalization value manager	24.00 – 19.00%	21.50%	Russell 1000 Value
Large capitalization growth manager	24.00 – 19.00%	21.50%	Russell 1000 Growth
Small/mid capitalization value manager	7.50 – 2.50%	5.00%	Russell 2500 Value
Mid capitalization growth manager	7.50 – 2.50%	5.00%	Russell Mid Growth
International value manager	8.50 – 3.50%	6.00%	MSCI EAFE (Net)
International growth manager	8.50 – 3.50%	6.00%	MSCI AC World ex USA
<b>Total Equity</b>		<b>65.00%</b>	
<b>Fixed Income Managers</b>	<b>25.00–15.00%</b>	<b>20.00%</b>	BC Int. Gov't/Credit
<b>Total Traditional Asset Classes</b>		<b>85.00%</b>	
<b>Alternative Asset Classes</b>			
Private real estate	10.00 – 2.50%	7.00%	Russell NCREIF
Master Limited Partnerships	10.00 – 0.00%	5.00%	Alerian MLP
Hedge fund of funds	10.00 – 0.00%	3.00%	HFRI FOF Cons.
<b>Total Alternative Asset Classes</b>		<b>15.00%</b>	
<b>Total Traditional &amp; Alternative</b>		<b>100.00%</b>	

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

Investment Concentration. The pension plans on an individual plan basis did not hold investments (other than those issued or explicitly guaranteed by the U.S. government) in any one organization that represents 5 percent or more of the pension plan's fiduciary net position.

Money-Weighted Rate of Return. For the year ended September 30, 2017, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.80%, 12.50% and 12.18% for the Employees' Retirement System, Firefighters' Retirement System and Police Officers' Retirement System, respectively. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**D. RESERVES**

The City of St. Petersburg Police Officers' Retirement System and the City of St. Petersburg Firefighters' Retirement System receive annual contributions from the State of Florida under Florida Statutes Chapter 185 and 175, respectively. Accumulated State Premium Tax contributions in excess of the \$1,677,009 annual amount allowed to offset City contributions are held in reserve for future benefit improvements in Police Officers' Retirement System. Accumulated State Premium Tax contributions in excess of the \$1,210,916 annual amount allowed to offset City contributions are held in reserve for cost of living adjustments for supplemental plan members who retire after September 30, 2008 in Firefighters' Retirement System. As of September 30, 2017 the accumulated balance in the Police Officers' Retirement System and the Firefighters' Retirement System was \$636,947 and \$7,194,831, respectively.

**E. DEFERRED RETIREMENT OPTION PLANS**

When an employee in a defined benefit plan reaches retirement eligibility, all three plans offer a deferred retirement option plan (DROP). When an employee elects to enter a DROP, they continue working, but all pension contributions stop and the pension benefit earned begins accruing for that individual in a separate account. At termination of employment, the employee has an option of a lump sum payment or roll over into a tax deferred account.

The Employees' Retirement System, Police Officers' Retirement System and Firefighters' Retirement System DROP accounts which started in 2000, 2004, and 2007 respectively, are kept by a third party custodian International City Management Association Retirement Corporation, and are not included as pension fund liabilities.

At September 30, 2017, participants and amounts deferred in the DROP plans are as follows:

	Participants	Custodial Assets
Employees' Retirement System	91	\$ 10,338,319
Firefighters' Retirement System	53	\$ 24,554,622
Police Officers' Retirement System	82	\$27,247,721

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

F. PENSION PLAN REPORTING: NET PENSION (ASSET) LIABILITY

GASB Statement No. 67, *Financial Reporting for Pension Plans - an Amendment of GASB Statement No 25* requires pension plans to include certain disclosures about the plan as well as the net pension liability in the notes to the financial statements. As the retirement systems do not issue separate financial statements, the required disclosures for pension plan reporting are found in this section of the notes to the financial statements and in the required supplementary information section.

The net pension (asset) liability is calculated as the total pension liability less the pension plans net fiduciary position. The total pension liability is the present value of pension benefits attributable to past service of the pension plans and the net fiduciary position is the resources currently available in the pension plans trusts to pay benefits.

**Net Pension (Asset) Liability Components**

The components of the net pension (asset) liability by retirement system at September 30, 2017 were as follows:

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Total pension liability	\$ 449,991,694	\$ 231,583,586	\$ 440,062,733
Plan fiduciary net position	(421,268,846)	(260,830,086)	(407,458,070)
Retirement Plan's net pension (asset) liability	<u>\$ 28,722,848</u>	<u>\$ (29,246,500)</u>	<u>\$ 32,604,663</u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	93.62%	112.63%	92.59%

**Actuarial Assumptions**

The total pension liability was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2016 actuarial valuation. The pension plans use the Entry Age Normal Actuarial Cost Method with a level percent closed amortization method. Under the Entry Age Normal Cost Method, an annual Normal Cost is determined for each covered active member which is the contribution required to provide all the projected pension benefits assuming this contribution is payable over a period ending on the date of retirement and expressed as a level percentage of compensation. Entry Age is the age nearest the employees' birthday on the first of October following employment. The asset valuation method under all three pension plans is a four year phase in of investment gains and losses.

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

The total pension liability for each pension plan as of September 30, 2017 was determined based on a roll-forward of entry age normal liabilities from the October 1, 2016 actuarial valuation, using the following actuarial assumptions, applied to all periods included in the measurement:

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Investment rate of return (net investment expenses)	7.75%	8.00%	8.00%
Inflation	3.00%	3.00%	3.00%
Salary increases	5.00% to 8.50%	1.00% to 5.50% for FY 2016; and 5.00% to 9.50% thereafter	4.50% to 8.00%
Aggregate compensation increase annually	0.20%	0.00%	1.60%
Cost of living adjustments (prior plan)	1.50% and 2.0% thereafter	4.00%	5.717% for Officers, 5.588% for Sergeants, 4.679% for Lieutenants & 3.00% for Management; and 4.00% thereafter
Cost of living adjustments (supplemental plan)	1.50%	0.00%	1.70% for FY 16 and 2.00% thereafter
Mortality Rate Table	Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male Non-Disabled: RP2000 Generational, 50% Annuitant White Collar/ 50% Annuitant Blue Collar, Scale BB	Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male Non-Disabled: RP2000 Generational, 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB	Female Non-Disabled: RP2000 Generational, 100% Annuitant White Collar, Scale BB; Male Non-Disabled: RP2000 Generational, 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB

**Actuarial changes from the prior year:**

**Employee's Retirement System:** The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with life expectancy improvements projected using Scale AA for females and males to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB for females and males respectively.

**Firefighters' Retirement System:** The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with Blue Collar Adjustments for females and males to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB for females and males respectively.

Police Officers' Retirement System: The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with Blue Collar Adjustments for females and males to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 10% Annuitant White Collar/ 90% Annuitant Blue Collar, Scale BB for females and males respectively. Aggregate compensation is assumed to increase 1.60% per year (up from 0.5% in previous years), as limited by the ten-year average historical growth in payroll.

**Long-term expected rate of return (Pension Plan Reporting)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2014 (see the discussion of the pension plan's investment policy) are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return		
	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System
Cash	N/A	3.81%	3.81%
US Large Cap	11.23%	11.23%	11.23%
US Mid Cap	13.88%	13.88%	13.88%
US Small Cap	13.99%	13.99%	13.99%
Global Ex US Equity	11.58%	N/A	11.58%
MSCI EAFE	11.13%	11.13%	11.13%
Aggregate Bonds	N/A	5.27%	N/A
US Government Credit	5.34%	N/A	5.34%
REIT	N/A	8.05%	N/A
Hedge Funds	7.93%	7.93%	7.93%

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

Discount rate

The discount rate used to measure the total pension liability was 7.75% for ERS and 8.00% for Fire and Police. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that City contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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.

Sensitivity of the net pension (asset) liability to changes in the discount rate (Pension Plan Reporting)

The following presents the net pension (asset) liability of the pension plans, calculated using the current discount rate, as well as what the pension plan's net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
<b>Employees' Retirement</b>			
<b>System net pension liability (asset)</b>	\$ 77,252,776 6.75%	\$ 28,722,848 7.75%	\$ (15,082,837) 8.75%
<b>Firefighters' Retirement</b>			
<b>System net pension liability (asset)</b>	\$ (7,333,581) 7.00%	\$ (29,246,500) 8.00%	\$ (49,304,194) 9.00%
<b>Police Officers' Retirement</b>			
<b>System net pension liability (asset)</b>	\$ 82,119,825 7.00%	\$ 32,604,663 8.00%	\$ (11,901,192) 9.00%

**G. EMPLOYER (CITY) REPORTING: NET PENSION LIABILITY**

The net pension liability disclosed below is the liability to the employer, the City of St. Petersburg, of the pension plans in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment of GASB Statement 27*. The net pension liability is calculated as the total pension liability less the pension plans' net fiduciary position. The total pension liability is the present value of pension benefits attributable to past service of the pension plans and the net fiduciary position is the resources currently available in the pension plans' trusts to pay benefits.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

**Net Pension (Asset) Liability Components (Employer Reporting)**

The net pension (asset) liability of the retirement systems' recorded in the City's financial statements at September 30, 2017 is based on a measurement date of September 30, 2016 and the total pension liability as of September 30, 2016 was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2015 actuarial valuation (using below detail actuarial assumptions) applied to all periods included in the measurement. The net pension liability by retirement system recorded to the City's financial statements as of September 30, 2017 is as follows.

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Total pension liability	\$ 437,564,715	\$ 222,725,139	\$ 418,846,742
Plan fiduciary net position	(387,352,418)	(245,210,495)	(378,355,807)
Retirement Plan's net pension liability (asset)	<u>\$ 50,212,297</u>	<u>\$ (22,485,356)</u>	<u>\$ 40,490,935</u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	88.52%	110.10%	90.33%

**Actuarial Assumptions (Employer Reporting)**

The pension plans use the Entry Age Normal Actuarial Cost Method with a level percent closed amortization method. Under the Entry Age Normal Cost Method, an annual Normal Cost is determined for each covered active member, which is the contribution required to provide all the projected pension benefits assuming this contribution is payable over a period ending on the date of retirement and expressed as a level percentage of compensation. Entry Age is the age nearest the employees' birthday on the first of October following employment. The asset valuation method under all three pension plans is a four year phase in of investment gains and losses.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

The total pension liability for each pension plan as of September 30, 2016 was determined based on a roll-forward of entry age normal liabilities from the October 1, 2015 actuarial valuation, using the following actuarial assumptions, applied to all periods included in the measurement:

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Investment rate of return (net investment expenses)	7.75%	8.00%	8.00%
Inflation	3.00%	3.00%	3.00%
Salary increases	5.00% to 8.50%	5.00% to 9.50%	4.50% to 8.00%
Aggregate compensation increase annually	0.20%	0.00%	0.05%
		3.00% for former District Chiefs, Chiefs and Captains and 0.00% for remainder of population in FY16 and 4.00% thereafter	5.717% for Officers, 5.588% for Sergeants, 4.679% for Lieutenants and 3.00% for management; and 4.00% thereafter 1.70% for FY16 and 2.00% there after
Cost of living adjustments (prior plan)	2.00%		
Cost of living adjustments (supplemental plan)	1.50%	0.00%	
	Fully generational RP-2000 Combined healthy table with life expectancy improvements projected using scale AA	Fully generational RP-2000 Combined healthy table with Blue collar adjustment	Fully generational RP-2000 Healthy Table with life expectancy improvements projected using scale AA and with Blue collar Adjustments
Mortality Rate Table			

The long-term expected rate of return on pension plan investments and the discount rate used to measure the total pension liability is the same as those used for the pension plan reporting discussed in detail in Note 18 (F).

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

**Changes in Net Pension (Asset) Liability (Employer Reporting)**

The detailed changes in the net pension (asset) liability for each of the three retirement systems in fiscal 2017 is as follows, based on actuarial date one year prior:

<b>Employees' Retirement System</b>			
<b>Change in the Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
Balances at September 30, 2016	\$ 410,671,607	\$ 369,690,519	\$ 40,981,088
Changes for the year:			
Service Cost	\$ 8,241,100	\$ -	\$ 8,241,100
Interest	31,647,473	-	31,647,473
Differences between expected and actual experience	8,120,936	-	8,120,936
Changes in assumptions	-	-	-
Contributions - City	-	11,198,451	(11,198,451)
Contributions - Member	-	1,465,224	(1,465,224)
Net investment income	-	26,142,507	(26,142,507)
Benefit payments, including refunds of employee contributions	(21,116,401)	(21,116,401)	-
Administrative expenses	-	(27,882)	27,882
Net changes	<u>\$ 26,893,108</u>	<u>\$ 17,661,899</u>	<u>\$ 9,231,209</u>
Balances at September 30, 2017	<u>\$ 437,564,715</u>	<u>\$ 387,352,418</u>	<u>\$ 50,212,297</u>

<b>Firefighters' Retirement System</b>			
<b>Change in the Net Pension Asset</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Asset</b>
Balances at September 30, 2016	\$ 217,772,186	\$ 229,986,610	\$ (12,214,424)
Changes for the year:			
Service Cost	\$ 3,249,371	\$ -	\$ 3,249,371
Interest	16,977,052	-	16,977,052
Differences between expected and actual experience	2,343,382	-	2,343,382
Changes in assumptions	-	-	-
Contributions - City	-	4,477,204	(4,477,204)
Contributions - Member	-	1,032,503	(1,032,503)
Contributions - State	-	1,805,108	(1,805,108)
Net investment income	-	25,556,376	(25,556,376)
Benefit payments, including refunds of employee contributions	(17,616,852)	(17,616,852)	-
Administrative expenses	-	(30,454)	30,454
Net changes	<u>\$ 4,952,953</u>	<u>\$ 15,223,885</u>	<u>\$ (10,270,932)</u>
Balances at September 30, 2017	<u>\$ 222,725,139</u>	<u>\$ 245,210,495</u>	<u>\$ (22,485,356)</u>

**City of St. Petersburg, Florida**  
**Notes to the Financial Statements**  
**September 30, 2017**

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

<b>Police Officers' Retirement System</b>			
<b>Change in the Net Pension Liability</b>	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability</b>
Balances at September 30, 2016	\$ 395,215,991	\$ 363,964,270	\$ 31,251,721
Changes for the year:			
Service Cost	\$ 5,872,895	\$ -	\$ 5,872,895
Interest	31,018,382	-	31,018,382
Differences between expected and actual experience	13,610,507	-	13,610,507
Change in assumptions	-	-	-
Contributions - City	-	7,770,299	(7,770,299)
Contributions - Member	-	2,191,312	(2,191,312)
Contributions - State	-	1,897,530	(1,897,530)
Net investment income	-	29,466,872	(29,466,872)
Benefit payments, including refunds of employee contributions	(26,871,033)	(26,871,033)	-
Administrative expenses	-	(63,443)	63,443
Net changes	<u>\$ 23,630,751</u>	<u>\$ 14,391,537</u>	<u>\$ 9,239,214</u>
Balances at September 30, 2017	<u>\$ 418,846,742</u>	<u>\$ 378,355,807</u>	<u>\$ 40,490,935</u>

**Sensitivity of the net pension (asset) liability to changes in the discount rate (Employer Reporting)**

The following presents the net pension (asset) liability of the pension plans, calculated using the current discount rate, as well as what the pension plan's net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>1% Decrease</b>	<b>Current Discount Rate</b>	<b>1% Increase</b>
<b>Employees' Retirement</b>			
System net pension liability (asset)	<u>\$ 102,720,063</u> 6.75%	<u>\$ 50,212,297</u> 7.75%	<u>\$ 3,330,363</u> 8.75%
<b>Firefighters' Retirement</b>			
System net pension liability (asset)	<u>\$ 678,058</u> 7.00%	<u>\$ (22,485,356)</u> 8.00%	<u>\$ (43,466,709)</u> 9.00%
<b>Police Officers' Retirement</b>			
System net pension liability (asset)	<u>\$ 90,751,811</u> 7.00%	<u>\$ 40,490,935</u> 8.00%	<u>\$ (4,384,847)</u> 9.00%

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

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

For the year ended September 30, 2017, the City recognized pension expense (benefit) related to the change in net pension liability and related components of (\$3,398,603), (\$2,236,056) and \$3,386,943 for the Employees' Retirement System, Firefighters' Retirement System and Police Officers' Retirement System, respectively. The City recognized a benefit in fiscal year 2017 and 2016 due to the deferred outflow of pension plan contributions.

At September 30, 2017, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the below sources for each pension plan.

**Deferred Outflow of Resources**

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement</b>	<b>Total</b>
Difference between expected and actual experience (2017)	\$ 6,496,749	\$ 1,874,715	\$ 10,207,880	\$ 18,579,344
Difference between expected and actual investment earnings (2017)	1,946,412	(6,016,344)	(657,195)	(4,727,127)
Difference between projected and actual investment earnings (2016)	17,860,668	10,460,147	18,746,728	47,067,543
Difference between projected and actual investment earnings (2015)	(3,816,277)	(2,720,161)	(3,365,785)	(9,902,223)
Employer contributions made between measurement date and the reporting date	10,310,841	1,378,771	7,562,663	19,252,275
Balances, Ending	<u>\$ 32,798,393</u>	<u>\$ 4,977,128</u>	<u>\$ 32,494,291</u>	<u>\$ 70,269,812</u>

**Deferred Inflow of Resources**

	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement</b>	<b>Total</b>
Difference between expected and actual experience 2016	\$ (4,130,848)	\$ (362,620)	\$ (336,980)	\$ (4,830,448)
Changes of assumptions	(2,372,074)	(2,434,223)	(1,383,402)	(6,189,699)
Total	<u>\$ (6,502,922)</u>	<u>\$ (2,796,843)</u>	<u>\$ (1,720,382)</u>	<u>\$ (11,020,147)</u>

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

The deferred outflows of resources includes resources from City contributions to the plans subsequent to the measurement date and the difference between projected and actual investment earnings. The City contributions to the Plans subsequent to the measurement date, \$19,252,275, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2018. Other amounts reported as deferred outflows of resources related to the pension plans will be recognized in pension expense as follows:

<b>Fiscal Year</b>	<b>Future Years' Recognition of Deferred Outflows</b>			<b>Total</b>
	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>	
9/30/2018	6,156,208	1,091,225	7,804,345	15,051,778
9/30/2019	6,156,208	1,091,225	7,804,345	15,051,778
9/30/2020	8,064,346	2,451,306	9,487,237	20,002,889
9/30/2021	2,110,790	(1,035,399)	(164,299)	911,092
9/30/2022	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ 22,487,552</u>	<u>\$ 3,598,357</u>	<u>\$ 24,931,628</u>	<u>\$ 51,017,537</u>

Other amounts reported as deferred inflows of resources related to the Pensions Plans will be recognized in pension expense as follows:

<b>Fiscal Year</b>	<b>Future Years' Recognition of Deferred Inflows</b>			<b>Total</b>
	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>	
9/30/2018	2,322,473	1,331,830	1,075,238	4,729,541
9/30/2019	2,322,473	1,331,830	645,144	4,299,447
9/30/2020	1,857,976	133,183	-	1,991,159
9/30/2021	-	-	-	-
9/30/2022	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ 6,502,922</u>	<u>\$ 2,796,843</u>	<u>\$ 1,720,382</u>	<u>\$ 11,020,147</u>

The Firefighters' Retirement System and Police Officers' Retirement System net pension liability, deferred inflows and outflows of resources and pension expense is allocated 100% to governmental activities in the government-wide financial statements. The Employees' Retirement System net pension liability, deferred inflows and outflows of resources and pension expense is allocated proportionately to governmental activities in the government-wide financial statements and the City's enterprise funds based on the City's allocation of the actuarially determined contribution.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

**H. EMPLOYER REPORTING: FUNDING FOR PENSIONS**

The City's funding for the pension plans is separate than the accounting for the pension plans as discussed in the section on net pension liability. The City receives a separate actuarial valuation report with different actuarial assumptions applied to calculate the City's actuarially determined contribution for funding purposes. The City's actuarially determined contribution made to the pension plans in fiscal year 2017 was calculated as of October 1, 2015, two years prior to the year the contributions are reported.

See required supplemental information section for more detail on the actuarially determined contribution related to fiscal year 2017.

The following schedules reflect the current year and two preceding years' actuarially determined contributions and the assumptions utilized to calculate the City's actuarially determined contribution for the three pension plans funding purposes as of the October 1, 2015 valuation.

**Employees' Retirement System**  
**Schedule of Contributions for Employer**

Fiscal Year	Determined Employer Contributions	Actual Employer Contributions	% Contributed
9/30/17	\$ 10,310,841	\$ 10,310,841	100%
9/30/16	\$ 11,198,451	\$ 11,198,451	100%
9/30/15	\$ 12,778,435	\$ 12,778,435	100%

**Firefighters' Retirement System**  
**Schedule of Contributions for Employer and Other Contributing Entity**

Fiscal Year	Determined Contribution Employer	Determined Contribution State	Determined Contribution Total	Actual Contribution Employer	Actual Contribution State	Actual Contribution Total	% Contr. Employer/State
9/30/17	\$ 1,378,771	\$ 1,210,916	\$ 2,589,687	\$ 1,378,771	\$ 1,210,916	\$ 2,589,687	100%
9/30/16	\$ 4,477,204	\$ 1,210,196	\$ 5,687,400	\$ 4,477,204	\$ 1,210,296	\$ 5,687,400	100%
9/30/15	\$ 7,725,079	\$ 1,210,916	\$ 8,935,995	\$ 7,725,079	\$ 1,210,916	\$ 8,935,995	100%

**Police Officers' Retirement System**  
**Schedule of Contributions for Employer and Other Contributing Entity**

Fiscal Year	Determined Contribution Employer	Determined Contribution State	Determined Contribution Total	Actual Contribution Employer	Actual Contribution State	Actual Contribution Total	% Contr. Employer/State
9/30/17	\$ 7,562,663	\$ 1,677,009	\$ 9,239,672	\$ 7,562,663	\$ 1,677,009	\$ 9,239,672	100%
9/30/16	\$ 7,770,299	\$ 1,677,009	\$ 9,447,308	\$ 7,770,299	\$ 1,677,009	\$ 9,447,308	100%
9/30/15	\$ 10,258,299	\$ 1,650,834	\$ 11,909,133	\$ 10,258,299	\$ 1,650,834	\$ 11,909,133	100%

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS - (Continued)**

<b>Funding Actuarial Assumptions</b>	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Valuation Date	October 1, 2015	October 1, 2015	October 1, 2015
Actuarial Cost Method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay
Amortization Method	Level percent closed	Level percent closed	Level percent closed
Amortization Period	30 years	30 years	30 years
Aggregate compensation increase annually	0.20%	0.00%	0.50%
Asset valuation method	Four year phase in of investment gains and losses	Four year phase in of investment gains and losses	Four year phase in of investment gains and losses
Investment rate of return	7.75%	8.00%	8.00%
Projected salary increases	5.00% to 8.50%	1.00% to 5.50% in Fiscal 2016 5.00% to 9.50% thereafter	4.50% to 8.00%
Cost of living adjustments		3.00% in Fiscal 2016 for Chiefs and Captains, 0.00% for remainder of population 4.00% thereafter	
Prior Plan	2.00%		1.70% in Fiscal 2016 2.00% thereafter 5.717% for Officers, 5.588% for Sergeants, 4.679% for lieutenants and 3.00% for management; 4.00% thereafter
Supplemental Plan	1.50%	0.00%	

**NOTE 19 – DEFINED CONTRIBUTION PLAN**

The City contributes to a defined contribution plan, the City of St. Petersburg 401(a) Plan ("Plan"), established by City Ordinance for exempt management employees and employees not covered by a collective bargaining agreement who have waived membership in the General Employees' Retirement System, of which 90 have so chosen. The plan is administered by International City Management Association Retirement Corporation (ICMA-RC). Plan participants fully vest upon eligibility to participate. The City contributes to the 401a plan account for participants at a rate which is approved by City Council. During the fiscal year ended September 30, 2017, the rate was 11% of pre-deferral salary. The total City contribution to the 401a plan was \$1,588,818 or 11% of covered payroll. For the fiscal year ended September 30, 2017, payroll covered by this plan was \$14.4 million compared to the total City payroll of approximately \$191.7 million.



**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS**

A. SUPPLEMENTAL PAYMENTS LIABILITY FOR CERTAIN POLICE OFFICERS'

Background

Certain police officers who retired from March 2008 through February 2011 were paid benefits from the Police Officers' Retirement System ("PORS") that exceeded the amount under the terms of the Retirement System due to inclusion of extra compensation in the determination of benefits. For certain retirees who have elected to participate, the City will continue to pay directly to the retiree an amount in excess of the corrected benefit payable under the PORS ("supplemental payments"). There are 52 members receiving supplemental payments, including 46 retired members, 3 disabled members, and 3 beneficiaries.

Liability

The City obtained an actuarial valuation for the liability as of September 30, 2017. The City's long term obligation as of September 30, 2017 associated with the supplemental payments for participating police officers is \$1,174,000, as reported in the Statement of Net Position.

Actuarial Assumptions

The liability is based on a discount rate of 4.50% and the mortality table used by the Florida Retirement System for individuals classified as special risk. The mortality table is one required by the State of Florida (Chapter 2015-157) to be used for liability calculations effective January 1, 2016 and is the same table used for the October 1, 2017 actuarial valuation for the Police Retirement System (same mortality tables as the Police Retirement System October 1, 2016 actuarial valuation). The calculations were based on member census data provided by the City for the police officers receiving the supplemental payments.

B. POST-RETIREMENT HEALTH BENEFITS

Plan Description:

The City follows GASB Statement 45, *"Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pensions"* to account for certain post-retirement health benefits provided by the City. A separate audited GAAP basis post retirement plan report is not prepared for this defined benefit plan. The City sponsors a single employer defined benefit "other post-employment benefit" ("OPEB") plan. Benefits are stipulated resolutions approved by City Council and through union agreements with the employees and any changes to the benefits must be addressed through union negotiations. Retirees who meet certain age and service requirements may elect coverage for themselves and dependents in one of three health plans: two preferred provider organizations ("PPOs") and an exclusive provider organization (EPO). After age 65, retirees have the additional choice of two Medicare Advantage plans. The City currently pays an explicit subsidy equal to 75% of the blended (active and retired) rate for the lowest cost PPO (or the total premium, if less), plus the implicit subsidy equal to the difference between the actual retiree cost ("ARC") and the blended rate. Beginning January 1, 2010, the maximum dollar amount of the explicit employer subsidy was frozen for employees who retire after 2009. These retirees will pay the full cost of any increases in the blended premium in excess of the frozen maximum subsidy.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
 September 30, 2017

**NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)**

Funding Policy

All of the above benefit plans are provided through insurance companies or health maintenance organizations (HMO). Some health plan premiums are based on the benefits paid during the plan period ending March 31. The City recognizes the cost of providing benefits by expensing monthly premiums, on a pay-as-you-go basis. There are no plans at this time to fund the OPEB liability and therefore there are no plan assets. For the fiscal year ended September 30, 2017, the cost of retiree health care for 1,120 participants was \$13,241,865 of which \$4,811,974 was paid by the retirees. The City offers vision, dental and AD&D policies paid for entirely by active and retired employees.

Annual OPEB Cost and OPEB Obligation

The City received the current year results of an actuarial valuation report for retiree health benefits as of October 1, 2016 for fiscal year 2017. The valuation was completed under the requirements of GASB Statement 45. The development of the Net OPEB Obligation is listed below for the fiscal year ended September 30:

	2017	2016	2015
Annual Required Contribution	\$ 15,664,000	\$ 16,447,000	\$ 13,555,000
Interest on the Net OPEB Obligation	3,255,002	2,805,000	2,438,000
Adjustment on the ARC	(4,440,000)	(3,603,000)	(2,812,000)
Annual OPEB Costs	14,479,002	15,649,000	13,181,000
Less: Contributions made	(6,050,000)	(5,643,000)	(5,041,000)
Increase in Net OPEB Obligation	8,429,002	10,006,000	8,140,000
Net OPEB Obligation – beginning of year	72,330,000	62,324,000	54,184,000
Net OPEB Obligation – end of year	\$ 80,759,002	\$ 72,330,000	\$ 62,324,000

Percentage of Annual OPEB Cost Contributed and Net OPEB Obligation

Fiscal Year	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/17	14,479,000	6,050,000	42%	80,759,000
9/30/16	15,649,000	5,643,000	36%	72,330,000
9/30/15	13,181,000	5,041,000	38%	62,324,000
9/30/14	12,923,000	7,085,000	55%	54,184,000
9/30/13	13,868,000	6,253,000	45%	48,346,000
9/30/12	13,503,000	6,274,000	47%	40,731,000
9/30/11	13,247,000	5,471,000	41%	33,502,000
9/30/10	12,525,000	6,187,000	49%	25,726,000

Funded Status and Funding Progress

As of September 30, 2017, the actuarial accrued liability for benefits was \$199,781,000, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$143,194,193 and the ratio of unfunded actuarial accrued liability (UAAL) to covered payroll is 139.5%.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)**

Actuarial valuations reflect a long-term perspective and involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The schedule of government contributions and two year trend information along with the schedule of funding progress for the current year and two years prior (the dates of the actuarial valuations as required) can be found in the Required Supplementary Information.

**Actuarial Methods of Assumptions**

Calculations are based on the types of benefits provided under the terms of the substantive plan, including the method of sharing of costs between the employer and plan members.

In the October 1, 2016 actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 3% inflation rate, 4.5% investment rate of return (net of administrative expenses), and aggregate compensation is assumed to increase 1.50% per year for the Police Plan, 0.2% per year for the ERS/401a Plan, and 0.00% for the Fire Plan. Annual healthcare cost trend rates are based on actual premium rate increases from April 1, 2016 to April 1, 2017 as follows; 4% for all health plans pre-65, 3.2% for future retirees and existing retirees who are currently under 65, -.08% for existing retirees over 65 currently enrolled and -5.0% for existing retirees over 65 currently enrolled. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll over an open 30 year period.

Changes from the prior actuarial valuation October 1, 2014 assumptions are as follows: assumed per capita health plan costs, retiree contributions and total premiums were updated to reflect the most recent experience; the assumptions for mortality were updated to reflect recent research; healthcare cost trend rates updated to reflect industry expectations on increases; aggregate compensation has been updated; and DROP period length and participation, plan participation and the percentage of future retirees covering dependents were updated to reflect the last two years of experience.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 21 - TAX ABATEMENT**

The City provides tax abatements under four programs: the Historical Preservation Ad Valorem Tax Exemption, the Affordable Multifamily Housing Development Program, Economic Development Ad Valorem Tax Exemption Program and the Reduced Transportation Impact Fee Program.

- The Historical Preservation Ad Valorem Tax Exemption program is an abatement for up to ten years on increases in St. Petersburg and Pinellas County property taxes resulting from an approved renovation to a historic building. This is city and county program that exempts eligible property owners from an increase in city or county taxes resulting from an approved renovation for ten years. Available to individually listed historic properties or those contributing to a historic district, many of which are located in downtown St. Petersburg. Projects must expend in construction costs a sum at least 10% of the assessed taxable value of the property. Project must be reviewed and approved by the City of St. Petersburg prior to construction. City Council approves tax exemption after work is completed. The maximum incentive for a single family home is \$100,000 and \$1,000,000 for all others.
- The Affordable Multifamily Housing Development Program was passed by City Council Resolution 2016-48 as part of the South St. Petersburg CRA Redevelopment Program. The Affordable Multifamily Housing Development Program provides an annual property tax rebate for up to fifteen years on increases in ad valorem taxes for all applicable Pinellas County taxing authorities for developers of new and substantially renovated affordable multifamily housing in the CRA. The rebate, which must first be approved by the Agency and City Council, will be based on the increase in ad valorem taxes in the first year the completed project goes on the tax rolls. The maximum award is \$50,000 per project per year and both City and County Tax Increment Financing ("TIF") contributions will be used to fund the program. For the purposes of this program, "affordable housing" is defined as housing meeting the needs of households whose income is 80 percent or below the area median household income. The maximum income and rent levels for this program are based on those established by the Florida Housing Finance Corporation's SHIP Program.
- The Economic Development Ad Valorem Tax Exemption Program was passed by City Council Ordinance 51-H on October 18, 2012 to grant ad valorem tax exemptions (city only) to qualifying new businesses and expansions of existing business that create new full-time jobs in the City. The tax exemption for qualifying businesses will apply only to the new increment of the assessed St. Petersburg millage on improvements including tangible property. The annual overall program cap is \$1.5 million of exempted taxes and the individual project cap is \$100,000 of exempted taxes. The duration of the exemption is 5 years with the ability of City Council to approve a maximum of 10 years, allowed by the Florida Statutes, if a business meets the bonus criteria. A business is required to submit a notice of intent, notifying the City of its location or expansion plans, and desire to apply for the incentive prior to making application for a building permit. A business must file an exemption application with the City by February 1<sup>st</sup> in the year that the Pinellas County Property Appraiser will first assess ad valorem property taxes on the improvements.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 21 - TAX ABATEMENT - (Continued)**

- The Reduced Transportation Impact Fee program is to encourage capital investment whereas projects located in certain areas of the city are eligible for reduced TIF rates. The city collects transportation impact fees (TIF's) for land development projects to fund needed transportation system improvements to support new trips generated by the project. TIF rates are based on project type and size.

Information relevant to the disclosure of those programs for the fiscal year ended September 30, 2017 is as follows:

<b>Tax Abatement Program</b>	<b>Amount of Taxes Abated during the Fiscal Year</b>
Historical Preservation Ad Valorem Tax Exemption	\$47,754
Economic Development Ad Valorem Tax Exemption	\$ 86,917
Reduced Transportation Impact Fee	\$ -
Economic Development Commercial Revitalization Program	\$ -

**NOTE 22 - LITIGATION**

The City is a defendant in various litigation incidental to its routine operations. In the opinion of the City Attorney, based upon the amount of damages alleged in the various cases and facts currently known, the potential liabilities in these cases will not materially affect the City's financial position. The City has established a general liability account within the Insurance Internal Service Fund and has reflected its best estimates of the present dollar value of such liabilities.

**City of St. Petersburg, Florida**  
*Notes to the Financial Statements*  
September 30, 2017

**NOTE 23 - STATE AND FEDERAL GRANT COMMITMENTS**

Grant monies received and disbursed by the City are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the City does not believe that such disallowance, if any, would have a material effect on the financial position of the City. The City has a potential liability of approximately \$2.2 million relating to a federal grant repayment for proceeds of a former land sale within the City's Dome Industrial Park where certain grant conditions remain unfulfilled. The potential liability is recorded in the governmental activities column of the Statement of Net Position as the City has received an extension that is long-term in nature and the grant requirement is believed to be ultimately met by this future date.

**NOTE 24 – SUBSEQUENT EVENT**

Debt

On October 12, 2017, the City executed a Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 in the amount of \$120 million. The Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 proceeds are being used to finance the acquisition, construction and erection of additions, improvements and extensions to the combined water, wastewater, reclaimed water and stormwater systems. The Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 bears an interest rate of 1.35% and matures on October 10, 2018.

Effective January 1, 2018 the Tax Cuts and Jobs Act had significant changes to the U.S. Tax Code, including a reduction of the corporate tax rate from a maximum of 35% to a maximum of 21%. Certain loans outstanding including the BB&T Non Ad Valorem Note Series 2010, the JP Morgan Chase 2011 Non Ad Valorem Refunding Note's Loan, and the SunTrust Professional Sports Facility Sales Tax Refunding Revenue Bonds, Series 2014 had contractual language with discretionary or non-discretionary rate increases with such change in corporate tax rates.

In February 2018 the City was notified that the BB&T Non Ad Valorem Note Series 2010 would increase from 2.06% to 2.50%; JP Morgan Chase 2011 Non Ad Valorem Refunding Note's rate would be adjusted from 1.91% to 2.32%; and the SunTrust Professional Sports Facility Sales Tax Refunding Revenue Bonds, Series 2014 rate would increase from 2.63% to 3.2%. The total additional debt service from the change in corporate tax liability if the debt is not repaid early or refunded, is \$365,219.

Other

On November 2, 2017, voters chose to renew the local option sales tax revenue "Penny for Pinellas" with nearly 83% support countywide. The renewal period covers 2020 to 2030 and is expected to accumulate significant revenues over the period to share between Pinellas County and the Cities.

# **REQUIRED SUPPLEMENTARY INFORMATION**

**City of St Petersburg, Florida**  
*Required Supplementary Information*  
*September 30, 2017*

In accordance with GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* and GASB Statement No. 67 *Financial Reporting for Pension Plans- an amendment of GASB Statement No. 25* the City is required to present the following schedules for each of the three pension plans:

Plan Reporting: GASB Statement No. 67 *Financial Reporting for Pension Plans – an Amendment of GASB Statement No. 25*

- Schedule of Changes in the City's Net Pension Liability and Related Ratios
- Schedule of Contributions
- Schedule of Investment Returns : Annual Money-Weighted Rate of Return, Net of Investment Expense

Employer (City) Reporting: GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27*

- Schedule of Changes in the City's Net Pension Liability and Related Ratios
- Schedule of Contributions

The net pension liability of the pension plans recorded to the City's financial statements at September 30, 2017 is based on a measurement date of September 30, 2016 and the total pension liability measured as of September 30, 2016 was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2015 actuarial valuation. See Note 18 in the Notes to the Financial Statements for actuarial assumptions utilized.

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* and GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* will be presented as it becomes available by the plans.



**City of St Petersburg, Florida**  
**Required Supplementary Information**  
**September 30, 2017**

Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* and GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* will be presented as it becomes available by the plans.

**Employees' Retirement System**  
**Schedule of Changes in the City's Net Pension Liability and Related Ratios**

	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ 8,836,802	\$ 8,241,100	\$ 7,510,320	\$ 7,274,693
Interest	33,728,786	31,647,473	31,081,167	29,720,082
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(19,356,752)	8,120,936	(7,081,456)	-
Changes of assumptions	11,604,792	-	(4,066,413)	-
Benefit payments, including refunds of member contributions	(22,386,649)	(21,116,401)	(20,240,345)	(19,116,670)
Net change in total pension liability	12,426,979	26,893,108	7,203,273	17,878,105
<b>Total pension liability - beginning</b>	<b>437,564,715</b>	<b>410,671,607</b>	<b>403,468,334</b>	<b>385,590,229</b>
<b>Total pension liability - ending</b>	<b>\$ 449,991,694</b>	<b>\$ 437,564,715</b>	<b>\$ 410,671,607</b>	<b>\$ 403,468,334</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 10,310,841	\$ 11,198,451	\$ 12,778,435	\$ 13,420,066
Contributions - employee	1,524,795	1,465,224	1,420,282	1,400,080
Contributions - state	-	-	-	-
Net investment income	44,485,454	26,142,507	(546,983)	36,377,570
Benefit payments, including refunds of member contributions	(22,386,649)	(21,116,401)	(20,240,345)	(19,116,670)
Administrative Expense	(18,013)	(27,882)	(114,383)	(75,818)
Other	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>33,916,428</b>	<b>17,661,899</b>	<b>(6,702,994)</b>	<b>32,005,228</b>
<b>Plan fiduciary net position - beginning</b>	<b>387,352,418</b>	<b>369,690,519</b>	<b>376,393,513</b>	<b>344,388,285</b>
<b>Plan fiduciary net position - ending</b>	<b>\$ 421,268,846</b>	<b>\$ 387,352,418</b>	<b>\$ 369,690,519</b>	<b>\$ 376,393,513</b>
<b>Net pension liability - ending</b>	<b>\$ 28,722,848</b>	<b>\$ 50,212,297</b>	<b>\$ 40,981,088</b>	<b>\$ 27,074,821</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>93.62%</b>	<b>88.52%</b>	<b>90.02%</b>	<b>93.29%</b>
<b>Covered employee payroll</b>	<b>\$ 77,392,386</b>	<b>\$ 73,230,762</b>	<b>\$ 69,245,260</b>	<b>\$ 69,862,270</b>
<b>Net pension liability as a percentage of covered employee payroll</b>	<b>37.11%</b>	<b>68.57%</b>	<b>59.18%</b>	<b>38.75%</b>

**City of St Petersburg, Florida**  
**Required Supplementary Information**  
**September 30, 2017**

Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* and GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* will be presented as it becomes available by the plans.

**Firefighters' Retirement System**  
**Schedule of Changes in the City's Net Pension Asset and Related Ratios**

	2017	2016	2015	2014
<b>Total Pension Liability</b>				
Service cost	\$ 3,799,931	\$ 3,249,371	\$ 3,068,057	\$ 3,189,346
Interest	17,409,095	16,977,052	17,200,042	16,992,345
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(636,656)	2,343,382	(707,973)	-
Changes of assumptions	6,108,843	-	(4,752,530)	-
Benefit payments, including refunds of member contributions	(17,822,766)	(17,616,852)	(17,597,222)	(17,336,204)
Net change in total pension liability	8,858,447	4,952,953	(2,789,626)	2,845,487
<b>Total pension liability - beginning</b>	222,725,139	217,772,186	220,561,812	217,716,325
<b>Total pension liability - ending</b>	\$ 231,583,586	\$ 222,725,139	\$ 217,772,186	\$ 220,561,812
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 1,378,771	\$ 4,477,204	\$ 7,725,079	\$ 8,841,330
Contributions - employee	1,175,184	1,032,503	945,494	926,326
Contributions - state	1,735,698	1,805,108	2,023,712	1,910,632
Net investment income	29,199,381	25,556,376	1,264,839	24,110,863
Benefit payments, including refunds of member contributions	(17,822,766)	(17,616,852)	(17,597,222)	(17,336,204)
Administrative Expense	(46,677)	(30,454)	(125,436)	(100,569)
Other	-	-	-	-
<b>Net change in plan fiduciary net position</b>	15,619,591	15,223,885	(5,763,534)	18,352,378
<b>Plan fiduciary net position - beginning</b>	245,210,495	229,986,610	235,750,144	217,397,766
<b>Plan fiduciary net position - ending</b>	\$ 260,830,086	\$ 245,210,495	\$ 229,986,610	\$ 235,750,144
<b>Net pension asset - ending</b>	\$ (29,246,500)	\$ (22,485,356)	\$ (12,214,424)	\$ (15,188,332)
<b>Plan fiduciary net position as a percentage of the total pension asset</b>	112.64%	110.10%	105.61%	106.89%
<b>Covered employee payroll</b>	\$ 16,264,742	\$ 14,252,652	\$ 13,601,128	\$ 13,805,792
<b>Net pension asset as a percentage of covered employee payroll</b>	-179.95%	-157.76%	-89.80%	-110.01%

**City of St Petersburg, Florida**  
**Required Supplementary Information**  
**September 30, 2017**

Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* and GASB Statement No. 68 *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement 27* will be presented as it becomes available by the plans.

**Police Officers' Retirement System**  
**Schedule of Changes in the City's Net Pension Liability and Related Ratios**

	<u>2017</u>		<u>2016</u>		<u>2015</u>		<u>2014</u>
<b>Total Pension Liability</b>							
Service cost	\$ 6,807,919	\$	5,872,895	\$	5,860,058	\$	5,813,388
Interest	32,936,579		31,018,382		29,610,299		29,652,780
Changes of benefit terms	-		-		-		-
Differences between expected and actual experience	(4,097,533)		13,610,507		(758,206)		-
Changes of assumptions	13,447,739		-		(3,112,655)		-
Benefit payments, including refunds of member contributions	<u>(27,878,713)</u>		<u>(26,871,033)</u>		<u>(24,722,357)</u>		<u>(23,495,320)</u>
Net change in total pension liability	21,215,991		23,630,751		6,877,139		11,970,848
<b>Total pension liability - beginning</b>	<u>418,846,742</u>		<u>395,215,991</u>		<u>388,338,852</u>		<u>376,368,004</u>
<b>Total pension liability - ending</b>	<u>\$ 440,072,733</u>	\$	<u>418,846,742</u>	\$	<u>395,215,991</u>	\$	<u>388,338,852</u>
<b>Plan fiduciary net position</b>							
Contributions - employer	\$ 7,562,663	\$	7,770,299	\$	10,258,299	\$	11,121,987
Contributions - employee	2,413,249		2,191,312		2,138,059		2,049,238
Contributions - state	1,969,105		1,897,530		1,801,339		1,753,617
Net investment income	45,069,674		29,466,872		(1,403,535)		36,157,743
Benefit payments, including refunds of member contributions	(27,878,713)		(26,871,033)		(24,722,357)		(23,495,320)
Administrative Expense	(33,715)		(63,443)		(132,046)		(105,416)
Other	-		-		-		-
<b>Net change in plan fiduciary net position</b>	29,102,263		14,391,537		(12,060,241)		27,481,849
<b>Plan fiduciary net position - beginning</b>	<u>378,355,807</u>		<u>363,964,270</u>		<u>376,024,511</u>		<u>348,542,662</u>
<b>Plan fiduciary net position - ending</b>	<u>\$ 407,458,070</u>	\$	<u>378,355,807</u>	\$	<u>363,964,270</u>	\$	<u>376,024,511</u>
<b>Net pension liability - ending</b>	<u>\$ 32,604,663</u>	\$	<u>40,590,935</u>		<u>31,251,721</u>	\$	<u>12,314,341</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	92.59%		90.33%		92.09%		96.83%
<b>Covered employee payroll</b>	\$ 35,120,540	\$	31,223,987	\$	31,186,302	\$	31,889,043
<b>Net pension liability as a percentage of covered employee payroll</b>	92.84%		129.68%		100.21%		38.62%

**City of St Petersburg, Florida**  
*Required Supplementary Information*  
*September 30, 2017*

**Schedule of Changes in the City's Net Pension Liability and Related Ratios**

**Notes to Employees' Retirement System Schedule:**

Benefit Changes: None

Assumptions Changes: The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with life expectancy improvements projected using Scale AA for females and males to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB for females and males, respectively.

**Notes to Firefighters' Retirement System Schedule:**

Benefit Changes: None

Assumption Changes: The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with Blue Collar Adjustments for females and males, to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB for females and males, respectively.

**Notes to Police Officers' Retirement System Schedule:**

Benefit Changes: None

Assumptions Changes: The mortality rate table was modified in fiscal year 2017 to reflect Florida Statutes 112.63 and 112.664, which require local government pension plans to use the mortality tables used in either of the two most recently published actuarial valuation reports of the Florida Retirement System, including the projection scale for mortality improvement, and appropriate risk and collar adjustments based on plan demographics. The City's mortality table was changed from Fully Generational RP-2000 Combined Healthy Table with Blue Collar Adjustments for females and males to RP2000 Generational for both females and males and 100% Annuitant White Collar, Scale BB and 10% Annuitant White Collar/90% Annuitant Blue Collar, Scale BB for females and males respectively. Aggregate compensation is assumed to increase 1.60% per year (up from 0.5% in previous years), as limited by the ten-year average historical growth in payroll.

The City's actuarially determined contributions are based on a separate actuarial valuation report for funding purposes than for accounting. The City's actuarially determined contributions made to the pension plans in fiscal year 2017 was calculated as of October 1, 2015, two years

**City of St Petersburg, Florida**  
**Required Supplementary Information**  
**September 30, 2017**

prior to the year the contributions are reported. See the notes following the Schedule of Contributions for the actuarial assumptions utilized for funding purposes.  
Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* and GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* will be presented for each fiscal year end as it becomes available by the plans.

**Employees' Retirement System**  
**Schedule of Contributions**

Actuarial Valuation	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2017	2016	2015	2014
Actuarially determined contribution	\$ 10,310,841	\$ 11,198,451	\$ 12,778,435	\$ 13,420,066
Contributions in relation to the actuarially determined contribution	10,310,841	11,198,451	12,778,435	13,420,066
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 77,392,386	\$ 73,230,762	\$ 69,245,260	\$ 69,862,270
Contribution as a percentage of covered payroll	13.32%	15.29%	18.45%	19.21%

**Firefighters' Retirement System**  
**Schedule of Contributions**

Actuarial Valuation	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,378,771	\$ 4,477,204	\$ 7,725,079	\$ 10,052,247
Contributions in relation to the actuarially determined contribution	1,378,771	4,477,204	7,725,079	10,052,247
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 16,264,742	\$ 14,252,652	\$ 13,601,128	\$ 13,805,792
Contribution as a percentage of covered payroll	8.48%	31.41%	56.80%	72.81%

**Police Officers' Retirement System**  
**Schedule of Contributions**

Actuarial Valuation	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2017	2016	2015	2014
Actuarially determined contribution	\$ 7,562,663	\$ 7,770,299	\$ 10,258,299	\$ 12,753,945
Contributions in relation to the actuarially determined contribution	7,562,663	7,770,299	10,258,299	12,772,821
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ (18,876)
Covered employee payroll	\$ 35,120,540	\$ 31,223,987	\$ 31,186,302	\$ 31,889,043
Contribution as a percentage of covered payroll	21.53%	24.89%	32.89%	40.05%

**City of St Petersburg, Florida**  
*Required Supplementary Information*  
September 30, 2017

**Notes to Schedules of Contributions:**

Valuation Date: Actuarially determined contribution rates are calculated in the actuarial valuation report two years prior to the date of contribution to the pension plans by the City.

<b>Funding Actuarial Assumptions</b>	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
Valuation Date	October 1, 2015	October 1, 2015	October 1, 2015
Actuarial Cost Method	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay	Entry Age Normal Level % of Pay
Amortization Method	Level percent closed	Level percent closed	Level percent closed
Single equivalent amortization period	22.66	3.20	7.78
Asset valuation method	Four year phase in of investment gains and losses	Four year phase in of investment gains and losses	Four year phase in of investment gains and losses
Investment rate of return	7.75%	8.00%	8.00%
Projected salary increases	Based on actual for each active member 5.00% to 8.50% thereafter	1.00% to 5.50% in Fiscal 2015 and 2016 5.00% to 9.50% thereafter	Based on actual for each active member 4.50% to 8.00% thereafter
Cost of living adjustments			
Prior Plan	2.00%	3.00% Chiefs and Captains in Fiscal 2015 and 2016 0% for other population 4.00% thereafter	1.70% in Fiscal 2016 2.00% thereafter 5.717% for Officers, 5.588% for Sergeants, 4.679% for Lieutenants, and 3.00% for Management; 4.00% thereafter.
Supplemental Plan	1.50%	0.00%	

**City of St Petersburg, Florida**  
*Required Supplementary Information*  
 September 30, 2017

The Schedule of Investment Returns for each pension plan is shown as the annual money-weighted rate of return, net of investment expenses. The calculation expresses investment performance, net of pension plan investments expense, adjusted for the changing amounts actually invested.

Ten year trend information as required under GASB Statement No. 67 *Financial Reporting for Pension Plans* will be presented for each fiscal year end as it becomes available by the plans.

**Schedule of Investment Returns**  
**Annual Money-Weighted Rate of Return, Net of Investment Expense**

<b>Fiscal Year</b>	<b>Employees' Retirement System</b>	<b>Firefighters' Retirement System</b>	<b>Police Officers' Retirement System</b>
2017	11.80%	12.50%	12.18%
2016	7.06%	11.50%	8.06%
2015	(0.30%)	0.50%	(0.53%)
2014	10.63%	10.90%	10.46%

**City of St Petersburg, Florida**  
**Required Supplementary Information**  
**September 30, 2017**

Available funding information and contribution amounts are presented in the schedules which follow for other post employment benefits (OPEB) in accordance with GASB Statement No. 45 *Accounting and Financial Reporting by Employers for Post-Employment Benefits other than Pensions*. See Note 20 in the Notes to the Financial Statements for actuarial assumptions utilized.

**Other Post Employment Benefits**  
**Schedule of Funding Progress**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UFAAL as % of Covered Payroll (b-a)/c
10/1/2016	\$ 0	\$ 199,781,000	\$ 199,781,000	0.00%	\$ 143,194,000	139.5%
10/1/2014	0	204,961,000	204,961,000	0.00%	120,142,000 (A)	170.6%
10/1/2012	0	167,111,000	167,111,000	0.00%	118,468,000 (A)	141.1%
10/1/2010	0	177,387,000	177,387,000	0.00%	N/A	N/A

(A) The covered payroll included in the actuarial valuation was of 9/30/2014 and 9/30/2012, respectively.

**Other Post Employment Benefits**  
**Annual Required Contribution Schedule**

Fiscal Year Ended	Annual Required Contribution (ARC)	Annual Contribution	Percentage of ARC Contributed
9/30/2017	\$ 15,664,000	\$ 6,050,000	38.6%
9/30/2016	16,447,000	5,643,000	34.3%
9/30/2015	13,555,000	5,041,000	37.2%
9/30/2014	13,261,000	7,085,000	54.8%
9/30/2013	13,764,000	6,253,000	45.1%
9/30/2012	13,413,000	6,274,000	46.5%
9/30/2011	13,154,000	5,471,000	41.3%
9/30/2010	12,455,000	6,187,000	49.4%



# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**



## **City of St. Petersburg, Florida**

### **Non-Major Governmental Funds**

#### **Special Revenue Funds**

Special revenue funds are used to account for specific revenues that are restricted for a specific purpose.

Weeki Wachee - This fund is used to account for the proceeds of the sale of the City's property in Weeki Wachee Springs, Florida. The proceeds of the sale and earnings on the invested balance are to be used for parks, recreation, beautification, and preservation.

Professional Sports Facility Sales Tax - This fund is used to account for revenue from the State of Florida Sales or Use Tax and may be used for the public purpose for paying for the acquisition, construction, reconstruction, or renovation of a facility for a new professional sports franchise, or retaining a professional sports franchise.

Building Permit - This fund is used to account for the revenue generated from construction permits and the related operating and capital expenditures.

Local Law Enforcement Trust - This fund is used to account for revenue received under the Florida Contraband Forfeiture Statute and the Federal Equitable Sharing of Assets Forfeitures and is used for law enforcement purposes.

Emergency Medical Services - This fund is used to account for revenue received under a provider contract with Pinellas County for the provision of emergency medical care to the City and surrounding areas.

Local Housing Assistance Trust - This fund is used to account for revenue received under the State Housing Initiatives Partnership Program (SHIP) and is used for expenditures allowed under the program.

Community Housing Trust - This fund is used to account for revenue received under the Community Housing Trust Fund Program administered by Pinellas County, Florida and is used for expenditures allowed under the program.

School Crossing Guard Fund - This fund is used to account for revenue received under the Florida Disposition of Traffic Infractions Statue for that portion to be used to fund a school crossing guard program.

**City of St. Petersburg, Florida**

**Non-Major Governmental Funds**

**Special Revenue Funds (Continued)**

Police Grants Fund - This fund is used to account for revenue received under the Edward Byrne Memorial Justice Assistance Grant Program and is used for expenditures allowed under the program.

Police Officers Training Fund (Police Officers Training) - This fund is used to account for revenue received under the Florida Disposition of Traffic Infractions Statute for that portion to be used to fund police training programs.

Donation Funds - This fund is used to account for the revenue received as donations by various citizens and organizations that are restricted to a specified purpose.

**Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Professional Sports Facility Sales Tax Revenue Bonds (Professional Sports Facility Sales Tax)- This fund is used to account for principal and interest on the City's Professional Sports Facilities Sales Tax Revenue Bonds which were used to fund modifications to Tropicana Field.

BB&T Notes - This fund is used to account for principal and interest on the City's BB & T Corp. loan which were used to finance improvements at the Dali Museum and Progress Energy Center for the Arts (now Duke Energy Center for the Arts).

Banc of America - This fund is used to account for principal and interest on the City's Banc of America Public Capital Corp. and Banc of America, N.A. loans.

JP Morgan Chase - This fund is used to account for principal and interest on the City's JP Morgan Chase Non Ad Valorem Refunding Revenue Note that refunded prior notes for improvements at the Mahaffey Theater and Florida International Museum.

Public Service Tax - This fund is used to account for principal and interest on the City's Public Service Tax Revenue Bonds 2016A and 2016B which were issued for construction of the Pier and Pier Approach.

TD Bank - This fund is used to account for principal and interest on the City's Non Ad Valorem Revenue Notes 2017C and 2017D which were issued for construction of the Police Headquarters and Training Facility.

Banc of America Leasing & Capital - This fund is used to account for principal and interest on the City's Taxable Non Ad Valorem Revenue Notes (QECB) Series 2017E which were issued for city facility solar panels.

## **City of St. Petersburg, Florida**

### **Non-Major Governmental Funds**

#### **Capital Projects Funds**

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

Housing Capital Improvement - This fund is used to account for the construction of housing projects and recycling of existing housing and is funded by general revenues.

Transportation Improvement - This fund is used to account for various transportation related construction of projects funded by multimodal impact fees.

Downtown Parking Garage - This fund is used to account for various downtown parking construction projects funded by general revenues and debt proceeds.

Weeki Wachee - This fund is used to account for various recreational projects funded by transfers from the Weeki Wachee special revenue fund.

#### **Permanent Funds**

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the city's programs.

Gizella Kopsik Arboretum - Palms and Cycads (Kopsick Trust) - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust is to be used to maintain the Kopsik Palm and Cycad Arboretum.

Fire Rescue and EMS Awards Trust - This fund is used to account for principal trust amounts received (and other amounts received by corporate and individual citizens) for the expressed purpose of providing the annual cash awards to one fire rescue and one emergency medical service employee chosen by an internal fire department committee.

Library Trust - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust is to be used for library purposes.

**City of St. Petersburg, Florida**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**September 30, 2017**

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>Assets</b>					
Cash and Cash Equivalents	\$ 4,363,069	\$ -	\$ 5,450,927	\$ 59,285	\$ 9,873,281
Investments	31,137,746	-	14,461,551	371,170	45,970,467
Restricted Cash	-	9,401,821	-	-	9,401,821
Receivables:					
Accounts	296,741	-	49,860	-	346,601
Notes	6,569,426	-	43,485	-	6,612,911
Due from Other Governmental Agencies:					
Grants and Cost Reimbursement	18,910	-	-	-	18,910
Pinellas County - Services	10,421	-	-	-	10,421
Pinellas County - Fines	3,543	-	-	-	3,543
Prepaid Costs and Deposits	71,975	-	-	-	71,975
<b>Total Assets</b>	<b>42,471,831</b>	<b>9,401,821</b>	<b>20,005,823</b>	<b>430,455</b>	<b>72,309,930</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>					
<b>Liabilities</b>					
Vouchers and Accounts Payable	712,573	-	255,459	-	968,032
Accrued Salaries	569,772	-	14,322	-	584,094
Other Accrued Liabilities	57,532	-	-	-	57,532
Retainage on Contracts	-	-	83,658	-	83,658
Due to Other Governmental Agencies	35,000	-	469,886	-	504,886
Due to Other Funds	307,640	-	-	-	307,640
Deposits	182,891	-	-	-	182,891
<b>Total Liabilities</b>	<b>1,865,408</b>	<b>-</b>	<b>823,325</b>	<b>-</b>	<b>2,688,733</b>
<b>Deferred Inflows of Resources</b>					
Deferred Inflows from Notes Receivable	6,569,426	-	43,485	-	6,612,911
Deferred Inflows from Future Revenues	208,654	-	22,824	-	231,478
<b>Total Deferred Inflows of Resources</b>	<b>6,778,080</b>	<b>-</b>	<b>66,309</b>	<b>-</b>	<b>6,844,389</b>
<b>Fund Balances</b>					
Non-Spendable	71,975	-	-	430,455	502,430
Restricted	25,169,071	9,401,821	-	-	34,570,892
Committed	8,587,297	-	2,978,429	-	11,565,726
Assigned	-	-	16,137,760	-	16,137,760
<b>Total Fund Balances</b>	<b>33,828,343</b>	<b>9,401,821</b>	<b>19,116,189</b>	<b>430,455</b>	<b>62,776,808</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 42,471,831</b>	<b>\$ 9,401,821</b>	<b>\$ 20,005,823</b>	<b>\$ 430,455</b>	<b>\$ 72,309,930</b>

See accompanying Independent Auditor's Report.

**City of St. Petersburg, Florida**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**Fiscal Year Ended September 30, 2017**

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
<b>Revenues</b>					
Licenses and Permits	\$ 6,452,050	\$ -	\$ -	\$ -	\$ 6,452,050
Fines and Forfeitures	981,466	-	-	-	981,466
Charges for Services and User Fees	13,377,771	-	-	-	13,377,771
Intergovernmental Revenues:					
Federal, State and Other Grants	1,834,897	-	-	-	1,834,897
State - Sales Tax	2,000,004	-	-	-	2,000,004
State - Other	31,670	-	-	-	31,670
Pinellas County - Other	21,596	-	73,867	-	95,463
Total	3,888,167	-	73,867	-	3,962,034
Use of Money and Property:					
Earnings on Investments	2,192,421	-	115,011	17,407	2,324,839
Total	2,192,421	-	115,011	17,407	2,324,839
Miscellaneous Revenue:					
Contributions	232,972	-	-	3,000	235,972
Assessments	-	-	902,804	-	902,804
Dispositions of Property	5,565	-	3,600	-	9,165
Other	744,755	-	18,753	-	763,508
Total	983,292	-	925,157	3,000	1,911,449
<b>Total Revenues</b>	27,875,167	-	1,114,035	20,407	29,009,609
<b>Expenditures</b>					
Current Operations:					
General Government	55,264	-	-	120	55,384
Community and Economic Development	5,152,503	-	-	-	5,152,503
Public Safety:					
Public Works	1,020	-	-	-	1,020
Police	434,291	-	-	-	434,291
Fire and EMS	12,483,677	-	-	1,400	12,485,077
Recreation, Culture and Social	2,304,738	-	-	-	2,304,738
Debt Service:					
Principal Payments	-	5,242,000	-	-	5,242,000
Interest Payments	-	2,692,537	-	-	2,692,537
Remarketing and Other Fees	-	148,888	-	-	148,888
Capital Outlay	886,804	-	2,774,012	-	3,660,816
<b>Total Expenditures</b>	21,318,297	8,083,425	2,774,012	1,520	32,177,254
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	6,556,870	(8,083,425)	(1,659,977)	18,887	(3,167,645)
<b>Other Financing Sources (Uses)</b>					
Transfers In	7,549	8,172,171	1,120,000	-	9,299,720
Transfers Out	(2,585,335)	(49,053,353)	-	(7,549)	(51,646,237)
Issuance of Refunding Debt	-	55,180,000	-	-	55,180,000
<b>Total Other Financing Sources (Uses)</b>	(2,577,786)	14,298,818	1,120,000	(7,549)	12,833,483
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	3,979,084	6,215,393	(539,977)	11,338	9,665,838
<b>Fund Balances - October 1</b>	29,849,259	3,186,428	19,656,166	419,117	53,110,970
<b>Fund Balances - September 30</b>	\$ 33,828,343	\$ 9,401,821	\$ 19,116,189	\$ 430,455	\$ 62,776,808

See accompanying Independent Auditor's Report.

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Special Revenue Funds*  
*September 30, 2017*

	<b>Weeki Wachee</b>	<b>Professional Sports Facility Sales Tax</b>	<b>Building Permit</b>	<b>Local Law Enforcement Trust</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 397,669	\$ 91,770	\$ 854,165	\$ 1,215,928
Investments	17,123,017	2,296	11,015,523	-
Receivables:				
Accounts	-	-	4,079	-
Notes	-	-	-	-
Due from Other Governmental Agencies:				
Grants and Cost Reimbursement	-	-	-	-
Pinellas County - Services	-	-	-	-
Pinellas County - Fines	-	-	-	-
Prepaid Costs and Deposits	-	-	-	71,975
<b>Total Assets</b>	<b>17,520,686</b>	<b>94,066</b>	<b>11,873,767</b>	<b>1,287,903</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>				
<b>Liabilities</b>				
Vouchers and Accounts Payable	-	-	12,458	10,654
Accrued Salaries	-	-	165,840	-
Other Accrued Liabilities	-	-	-	-
Due to Other Governmental Agencies	-	-	-	35,000
Due to Other Funds	295,154	-	-	-
Deposits	-	-	70,939	111,952
<b>Total Liabilities</b>	<b>295,154</b>	<b>-</b>	<b>249,237</b>	<b>157,606</b>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows from Notes Receivable	-	-	-	-
Deferred Inflows from Future Revenues	-	-	4,079	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>4,079</b>	<b>-</b>
<b>Fund Balances</b>				
Non-Spendable	-	-	-	71,975
Restricted	8,638,235	94,066	11,620,451	1,058,322
Committed	8,587,297	-	-	-
<b>Total Fund Balances</b>	<b>17,225,532</b>	<b>94,066</b>	<b>11,620,451</b>	<b>1,130,297</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 17,520,686</b>	<b>\$ 94,066</b>	<b>\$ 11,873,767</b>	<b>\$ 1,287,903</b>

See accompanying Independent Auditor's Report.



<b>Emergency Medical Services</b>	<b>Local Housing Assistance Trust</b>	<b>Community Housing Trust</b>	<b>School Crossing Guard Fund</b>	<b>Police Grants Fund</b>	<b>Police Officers Training</b>
\$ 607,255	\$ 820,889	\$ 125,720	\$ 31	\$ -	\$ 27,717
1,258,194	1,272,036	48,298	209	-	82,628
34,855	157,958	34,004	63,702	-	-
-	4,119,769	2,449,657	-	-	-
-	-	-	-	18,910	-
10,421	-	-	-	-	-
-	-	-	170	-	3,373
-	-	-	-	-	-
<u>1,910,725</u>	<u>6,370,652</u>	<u>2,657,679</u>	<u>64,112</u>	<u>18,910</u>	<u>113,718</u>
630,004	35,250	-	-	1,346	765
397,434	6,498	-	-	-	-
-	57,532	-	-	-	-
-	-	-	-	-	-
-	-	-	-	12,486	-
-	-	-	-	-	-
<u>1,027,438</u>	<u>99,280</u>	<u>-</u>	<u>-</u>	<u>13,832</u>	<u>765</u>
-	4,119,769	2,449,657	-	-	-
13,865	154,632	34,004	-	-	-
<u>13,865</u>	<u>4,274,401</u>	<u>2,483,661</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
869,422	1,996,971	174,018	64,112	5,078	112,953
-	-	-	-	-	-
<u>869,422</u>	<u>1,996,971</u>	<u>174,018</u>	<u>64,112</u>	<u>5,078</u>	<u>112,953</u>
<u>\$ 1,910,725</u>	<u>\$ 6,370,652</u>	<u>\$ 2,657,679</u>	<u>\$ 64,112</u>	<u>\$ 18,910</u>	<u>\$ 113,718</u>

(Continued)

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Special Revenue Funds*  
*September 30, 2017*

	<b>Donation Funds</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 221,925	\$ 4,363,069
Investments	335,545	31,137,746
Receivables:		
Accounts	2,143	296,741
Notes	-	6,569,426
Due from Other Governmental Agencies:		
Grants and Cost Reimbursement	-	18,910
Pinellas County - Services	-	10,421
Pinellas County - Fines	-	3,543
Prepaid Costs and Deposits	-	71,975
<b>Total Assets</b>	<u>559,613</u>	<u>42,471,831</u>
<b>Liabilities, Deferred Inflows of Resources and Fund Balances</b>		
<b>Liabilities</b>		
Vouchers and Accounts Payable	22,096	712,573
Accrued Salaries	-	569,772
Other Accrued Liabilities	-	57,532
Due to Other Governmental Agencies	-	35,000
Due to Other Funds	-	307,640
Deposits	-	182,891
<b>Total Liabilities</b>	<u>22,096</u>	<u>1,865,408</u>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows from Notes Receivable	-	6,569,426
Deferred Inflows from Future Revenues	2,074	208,654
<b>Total Deferred Inflows of Resources</b>	<u>2,074</u>	<u>6,778,080</u>
<b>Fund Balances</b>		
Non-Spendable	-	71,975
Restricted	535,443	25,169,071
Committed	-	8,587,297
<b>Total Fund Balances</b>	<u>535,443</u>	<u>33,828,343</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 559,613</u>	<u>\$ 42,471,831</u>

See accompanying Independent Auditor's Report.



**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Special Revenue Funds*  
*Fiscal Year Ended September 30, 2017*

	<b>Weeki Wachee</b>	<b>Professional Sports Facility Sales Tax</b>	<b>Building Permit</b>	<b>Local Law Enforcement Trust</b>
<b>Revenues</b>				
Licenses and Permits	\$ -	\$ -	\$ 6,451,950	\$ -
Fines and Forfeitures	-	-	-	548,297
Charges for Services and User Fees	-	-	1,241,391	-
Intergovernmental Revenues:				
Federal, State and Other Grants	-	-	-	-
State - Sales Tax	-	2,000,004	-	-
State - Other	-	-	-	-
Pinellas County - Other	-	-	-	-
Total	-	2,000,004	-	-
Use of Money and Property				
Earnings on Investments	1,991,448	22	94,630	(14,660)
Total	1,991,448	22	94,630	(14,660)
Miscellaneous Revenue:				
Contributions	-	-	-	-
Dispositions of Property	-	-	-	-
Other	155	-	8	-
Total	155	-	8	-
<b>Total Revenues</b>	<b>1,991,603</b>	<b>2,000,026</b>	<b>7,787,979</b>	<b>533,637</b>
<b>Expenditures</b>				
Current Operations:				
General Government	55,264	-	-	-
Community and Economic Development	-	-	5,134,920	-
Public Safety:				
Public Works	-	-	-	-
Police	-	-	-	265,638
Fire and EMS	-	-	-	-
Recreation, Culture and Social	-	-	-	-
Capital Outlay	-	-	64,405	86,531
<b>Total Expenditures</b>	<b>55,264</b>	<b>-</b>	<b>5,199,325</b>	<b>352,169</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>1,936,339</b>	<b>2,000,026</b>	<b>2,588,654</b>	<b>181,468</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(290,000)	(1,920,424)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(290,000)</b>	<b>(1,920,424)</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>1,646,339</b>	<b>79,602</b>	<b>2,588,654</b>	<b>181,468</b>
<b>Fund Balances - October 1</b>	<b>15,579,193</b>	<b>14,464</b>	<b>9,031,797</b>	<b>948,829</b>
<b>Fund Balances - September 30</b>	<b>\$ 17,225,532</b>	<b>\$ 94,066</b>	<b>\$ 11,620,451</b>	<b>\$ 1,130,297</b>

See accompanying Independent Auditor's Report.

<b>Emergency Medical Services</b>	<b>Local Housing Assistance Trust</b>	<b>Community Housing Trust</b>	<b>School Crossing Guard Fund</b>	<b>Police Grants Fund</b>	<b>Police Officers Training</b>
\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	386,175	-	46,994
12,119,977	-	-	-	-	-
7,837	1,676,070	-	-	150,990	-
-	-	-	-	-	-
31,670	-	-	-	-	-
21,596	-	-	-	-	-
61,103	1,676,070	-	-	150,990	-
12,082	58,562	37,528	(2,517)	-	794
12,082	58,562	37,528	(2,517)	-	794
-	-	-	-	-	-
5,565	-	-	-	-	-
217	700,205	41,220	-	-	360
5,782	700,205	41,220	-	-	360
12,199,044	2,434,837	78,748	383,658	150,990	48,148
-	-	-	-	-	-
-	-	-	-	-	-
-	1,020	-	-	-	-
-	-	-	-	136,414	30,405
12,483,070	-	-	-	-	-
-	2,038,457	-	-	-	-
720,905	-	-	-	14,963	-
13,203,975	2,039,477	-	-	151,377	30,405
(1,004,931)	395,360	78,748	383,658	(387)	17,743
-	-	-	-	-	-
-	-	-	(374,911)	-	-
-	-	-	(374,911)	-	-
(1,004,931)	395,360	78,748	8,747	(387)	17,743
1,874,353	1,601,611	95,270	55,365	5,465	95,210
\$ 869,422	\$ 1,996,971	\$ 174,018	\$ 64,112	\$ 5,078	\$ 112,953

(Continued)

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Special Revenue Funds*  
*Fiscal Year Ended September 30, 2017*

	<b>Donation Funds</b>	<b>Total Nonmajor Special Revenue Funds</b>
<b>Revenues</b>		
Licenses and Permits	\$ -	\$ 6,452,050
Fines and Forfeitures	-	981,466
Charges for Services and User Fees	16,403	13,377,771
Intergovernmental Revenues:		
Federal, State and Other Grants	-	1,834,897
State - Sales Tax	-	2,000,004
State - Other	-	31,670
Pinellas County - Other	-	21,596
Total	-	3,888,167
Use of Money and Property		
Earnings on Investments	14,532	2,192,421
Total	14,532	2,192,421
Miscellaneous Revenue:		
Contributions	232,972	232,972
Dispositions of Property	-	5,565
Other	2,590	744,755
Total	235,562	983,292
<b>Total Revenues</b>	266,497	27,875,167
<b>Expenditures</b>		
Current Operations:		
General Government	-	55,264
Community and Economic Development	17,583	5,152,503
Public Safety:		
Public Works	-	1,020
Police	1,834	434,291
Fire and EMS	607	12,483,677
Recreation, Culture and Social	266,281	2,304,738
Capital Outlay	-	886,804
<b>Total Expenditures</b>	286,305	21,318,297
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(19,808)	6,556,870
<b>Other Financing Sources (Uses)</b>		
Transfers In	7,549	7,549
Transfers Out	-	(2,585,335)
<b>Total Other Financing Sources (Uses)</b>	7,549	(2,577,786)
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	(12,259)	3,979,084
<b>Fund Balances - October 1</b>	547,702	29,849,259
<b>Fund Balances - September 30</b>	\$ 535,443	\$ 33,828,343

See accompanying Independent Auditor's Report.



**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Debt Service Funds*  
*September 30, 2017*

	<b>Professional Sports Facility Sales Tax</b>	<b>BB&amp;T Notes</b>	<b>Banc Of America</b>
<b>Assets</b>			
Restricted Cash	\$ 1,725,212	\$ -	\$ -
<b>Total Assets</b>	<u>1,725,212</u>	<u>-</u>	<u>-</u>
<b>Liabilities and Fund Balances</b>			
<b>Fund Balances</b>			
Restricted	1,725,212	-	-
<b>Total Fund Balances</b>	<u>1,725,212</u>	<u>-</u>	<u>-</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 1,725,212</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Independent Auditor's Report.



<b>JP Morgan Chase</b>	<b>Public Service Tax</b>	<b>TD Bank</b>	<b>Banc of America Leasing &amp; Capital</b>	<b>Total Nonmajor Debt Service Funds</b>
\$ -	\$ 1,698,850	\$ 5,607,260	\$ 370,499	\$ 9,401,821
-	1,698,850	5,607,260	370,499	9,401,821
-	1,698,850	5,607,260	370,499	9,401,821
-	1,698,850	5,607,260	370,499	9,401,821
\$ -	\$ 1,698,850	\$ 5,607,260	\$ 370,499	\$ 9,401,821

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Debt Service Funds*  
*Fiscal Year Ended September 30, 2017*

	<b>Professional Sports Facility Sales Tax</b>	<b>BB&amp;T Notes</b>	<b>Banc Of America</b>
<b>Expenditures</b>			
Debt Service:			
Principal Payments	\$ 1,495,000	\$ 210,000	\$ 159,000
Interest Payments	410,083	20,085	38,665
Remarketing and Other Fees	-	-	-
<b>Total Expenditures</b>	<u>1,905,083</u>	<u>230,085</u>	<u>197,665</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(1,905,083)</u>	<u>(230,085)</u>	<u>(197,665)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	1,920,424	230,085	197,665
Transfers Out	-	-	-
Issuance of Debt	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,920,424</u>	<u>230,085</u>	<u>197,665</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	15,341	-	-
<b>Fund Balances - October 1</b>	<u>1,709,871</u>	<u>-</u>	<u>-</u>
<b>Fund Balances - September 30</b>	<u><u>\$ 1,725,212</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Independent Auditor's Report.

<b>JP Morgan Chase</b>	<b>Public Service Tax</b>	<b>TD Bank</b>	<b>Banc of America Leasing &amp; Capital</b>	<b>Total Nonmajor Debt Service Funds</b>
\$ 2,978,000	\$ 400,000	\$ -	\$ -	\$ 5,242,000
190,346	2,033,358	-	-	2,692,537
-	-	130,290	18,598	148,888
3,168,346	2,433,358	130,290	18,598	8,083,425
(3,168,346)	(2,433,358)	(130,290)	(18,598)	(8,083,425)
3,168,346	2,655,651	-	-	8,172,171
-	-	(46,872,450)	(2,180,903)	(49,053,353)
-	-	52,610,000	2,570,000	55,180,000
3,168,346	2,655,651	5,737,550	389,097	14,298,818
-	222,293	5,607,260	370,499	6,215,393
-	1,476,557	-	-	3,186,428
\$ -	\$ 1,698,850	\$ 5,607,260	\$ 370,499	\$ 9,401,821

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Capital Projects Funds*  
*September 30, 2017*

	<b>Housing Capital Improvement</b>	<b>Transportation Improvement</b>	<b>Downtown Parking Garage</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 29,517	\$ 2,398,153	\$ 704,404
Investments	190,713	12,064,610	2,206,228
Receivables:			
Accounts	49,860	-	-
Notes	43,485	-	-
<b>Total Assets</b>	<u>313,575</u>	<u>14,462,763</u>	<u>2,910,632</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Vouchers and Accounts Payable	-	76,698	-
Accrued Salaries	-	11,909	384
Retainage on Contracts	-	42,742	-
Due to Other Governmental Agencies	10	469,876	-
<b>Total Liabilities</b>	<u>10</u>	<u>601,225</u>	<u>384</u>
<b>Deferred Inflows from Resources</b>			
Deferred Inflows from Notes Receivable	43,485	-	-
Deferred Inflows from Future Revenues	22,824	-	-
<b>Total Deferred Inflows from Resources</b>	<u>66,309</u>	<u>-</u>	<u>-</u>
<b>Fund Balances</b>			
Committed	3,443	1,644,557	1,080
Assigned	243,813	12,216,981	2,909,168
<b>Total Fund Balances</b>	<u>247,256</u>	<u>13,861,538</u>	<u>2,910,248</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 313,575</u>	<u>\$ 14,462,763</u>	<u>\$ 2,910,632</u>

See accompanying Independent Auditor's Report.

<b>Weeki Wachee</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 2,318,853	\$ 5,450,927
-	14,461,551
-	49,860
-	43,485
<u>2,318,853</u>	<u>20,005,823</u>
178,761	255,459
2,029	14,322
40,916	83,658
-	469,886
<u>221,706</u>	<u>823,325</u>
-	43,485
-	22,824
-	66,309
1,329,349	2,978,429
767,798	16,137,760
<u>2,097,147</u>	<u>19,116,189</u>
<u>\$ 2,318,853</u>	<u>\$ 20,005,823</u>

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Capital Projects Funds*  
*Fiscal Year Ended September 30, 2017*

	<b>Housing Capital Improvement</b>	<b>Transportation Improvement</b>	<b>Downtown Parking Garage</b>
<b>Revenues</b>			
Use of Money and Property:			
Pinellas County - Other	\$ -	\$ 73,867	\$ -
Earnings on Investments	1,010	93,431	20,570
Total	<u>1,010</u>	<u>167,298</u>	<u>20,570</u>
Miscellaneous Revenue:			
Assessments	-	902,804	-
Dispositions of Property	3,600	-	-
Other	18,753	-	-
Total	<u>22,353</u>	<u>902,804</u>	<u>-</u>
<b>Total Revenues</b>	<u>23,363</u>	<u>1,070,102</u>	<u>20,570</u>
<b>Expenditures</b>			
Capital Outlay	143,985	1,236,926	32,877
<b>Total Expenditures</b>	<u>143,985</u>	<u>1,236,926</u>	<u>32,877</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(120,622)</u>	<u>(166,824)</u>	<u>(12,307)</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	-	-	850,000
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>850,000</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>(120,622)</u>	<u>(166,824)</u>	<u>837,693</u>
<b>Fund Balances - October 1</b>	<u>367,878</u>	<u>14,028,362</u>	<u>2,072,555</u>
<b>Fund Balances - September 30</b>	<u>\$ 247,256</u>	<u>\$ 13,861,538</u>	<u>\$ 2,910,248</u>

See accompanying Independent Auditor's Report.

<u>Weeki Wachee</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ -	\$ 73,867
-	115,011
-	188,878
-	902,804
-	3,600
-	18,753
-	925,157
-	1,114,035
1,360,224	2,774,012
1,360,224	2,774,012
(1,360,224)	(1,659,977)
270,000	1,120,000
270,000	1,120,000
(1,090,224)	(539,977)
3,187,371	19,656,166
<u>\$ 2,097,147</u>	<u>\$ 19,116,189</u>

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Permanent Funds*  
*September 30, 2017*

	<u>Kopsick Trust</u>	<u>Fire Rescue and EMS Awards</u>	<u>Library Trust</u>	<u>Total Nonmajor Permanent Funds</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ -	\$ 15,430	\$ 43,855	\$ 59,285
Investments	<u>157,703</u>	<u>18,507</u>	<u>194,960</u>	<u>371,170</u>
<b>Total Assets</b>	<u>157,703</u>	<u>33,937</u>	<u>238,815</u>	<u>430,455</u>
<b>Liabilities and Fund Balances</b>				
<b>Fund Balances</b>				
Non-Spendable	<u>157,703</u>	<u>33,937</u>	<u>238,815</u>	<u>430,455</u>
<b>Total Fund Balances</b>	<u>157,703</u>	<u>33,937</u>	<u>238,815</u>	<u>430,455</u>
<b>Total Liabilities and Fund Balances</b>	<u>\$ 157,703</u>	<u>\$ 33,937</u>	<u>\$ 238,815</u>	<u>\$ 430,455</u>

See accompanying Independent Auditor's Report.



**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Permanent Funds*  
*Fiscal Year Ended September 30, 2017*

	<u>Kopsick Trust</u>	<u>Fire Rescue and EMS Awards</u>	<u>Library Trust</u>	<u>Total Nonmajor Permanent Funds</u>
<b>Revenues</b>				
Use of Money and Property:				
Earnings on Investments	\$ 15,687	\$ 94	\$ 1,626	\$ 17,407
Contributions	-	3,000	-	3,000
<b>Total Revenues</b>	<u>15,687</u>	<u>3,094</u>	<u>1,626</u>	<u>20,407</u>
<b>Expenditures</b>				
Current Operations:				
General Government	120	-	-	120
Fire and EMS	-	1,400	-	1,400
<b>Total Expenditures</b>	<u>120</u>	<u>1,400</u>	<u>-</u>	<u>1,520</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>15,567</u>	<u>1,694</u>	<u>1,626</u>	<u>18,887</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(3,416)	-	(4,133)	(7,549)
<b>Total Other Financing Sources (Uses)</b>	<u>(3,416)</u>	<u>-</u>	<u>(4,133)</u>	<u>(7,549)</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<u>12,151</u>	<u>1,694</u>	<u>(2,507)</u>	<u>11,338</u>
<b>Fund Balances - October 1</b>	<u>145,552</u>	<u>32,243</u>	<u>241,322</u>	<u>419,117</u>
<b>Fund Balances - September 30</b>	<u>\$ 157,703</u>	<u>\$ 33,937</u>	<u>\$ 238,815</u>	<u>\$ 430,455</u>

See accompanying Independent Auditor's Report.



**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Weeki Wachee*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Earnings in Investments	\$ 239,000	\$ 239,000	\$ 374,763	\$ 135,763
Other	-	-	155	155
<b>Total Revenues</b>	<u>239,000</u>	<u>239,000</u>	<u>374,918</u>	<u>135,918</u>
<b>Expenditures</b>				
Current Operations:				
General Government	278,000	278,000	55,265	222,735
<b>Total Expenditures</b>	<u>278,000</u>	<u>278,000</u>	<u>55,265</u>	<u>222,735</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(39,000)</u>	<u>(39,000)</u>	<u>319,653</u>	<u>358,653</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	(20,000)	(290,000)	(290,000)	-
<b>Total Other Financing Sources (Uses)</b>	<u>(20,000)</u>	<u>(290,000)</u>	<u>(290,000)</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>(59,000)</u>	<u>(329,000)</u>	<u>29,653</u>	<u>358,653</u>
<b>Budgetary Fund Balances - October 1</b>	11,044,170	11,044,170	11,044,170	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 10,985,170</u>	<u>\$ 10,715,170</u>	<u>11,073,823</u>	<u>\$ 358,653</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			6,151,709	
<b>Fund Balance - September 30</b>			<u>\$ 17,225,532</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**

*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Nonmajor Special Revenue Funds  
Professional Sports Facility Sales Tax  
Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
State - Sales Tax	\$ 2,000,004	\$ 2,000,004	\$ 2,000,004	\$ -
Earnings in Investments	-	-	47	47
<b>Total Revenues</b>	<u>2,000,004</u>	<u>2,000,004</u>	<u>2,000,051</u>	<u>47</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(1,920,424)</u>	<u>(1,920,424)</u>	<u>(1,920,424)</u>	<u>-</u>
<b>Total Other Financing Sources (Uses)</b>	<u>(1,920,424)</u>	<u>(1,920,424)</u>	<u>(1,920,424)</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>79,580</u>	<u>79,580</u>	<u>79,627</u>	<u>47</u>
<b>Budgetary Fund Balances - October 1</b>	14,431	14,431	14,431	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 94,011</u>	<u>\$ 94,011</u>	<u>94,058</u>	<u>\$ 47</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			8	
<b>Fund Balance - September 30</b>			<u>\$ 94,066</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Building Permit*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Licenses and Permits	\$ 4,034,300	\$ 4,034,300	\$ 6,451,948	\$ 2,417,648
Charges for Services and User Fees	826,000	826,000	1,241,392	415,392
Earnings on Investments	101,000	101,000	162,323	61,323
Other	10,000	10,000	8	(9,992)
<b>Total Revenues</b>	<u>4,971,300</u>	<u>4,971,300</u>	<u>7,855,671</u>	<u>2,884,371</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	5,116,306	5,272,440	5,186,508	85,932
Capital Outlay	52,000	81,205	87,230	(6,025)
<b>Total Expenditures</b>	<u>5,168,306</u>	<u>5,353,645</u>	<u>5,273,738</u>	<u>79,907</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(197,006)</u>	<u>(382,345)</u>	<u>2,581,933</u>	<u>2,964,278</u>
<b>Budgetary Fund Balances - October 1</b>	8,854,357	8,854,357	8,854,357	-
Reserve for Encumbrances - October 1, 2016	-	74,418	74,418	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 8,657,351</u>	<u>\$ 8,546,430</u>	<u>11,510,708</u>	<u>\$ 2,964,278</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			74,414	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			35,329	
<b>Fund Balance - September 30</b>			<u>\$ 11,620,451</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Local Law Enforcement Trust*  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 548,297	\$ 548,297
Earnings in Investments	24,000	24,000	5,422	(18,578)
<b>Total Revenues</b>	<u>24,000</u>	<u>24,000</u>	<u>553,719</u>	<u>529,719</u>
<b>Expenditures</b>				
Current Operations:				
Public Safety				
Police	106,950	450,468	277,917	172,551
Capital Outlay		265,251	86,531	178,720
<b>Total Expenditures</b>	<u>106,950</u>	<u>715,719</u>	<u>364,448</u>	<u>351,271</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(82,950)</u>	<u>(691,719)</u>	<u>189,271</u>	<u>966,690</u>
<b>Budgetary Fund Balances - October 1</b>	920,216	920,216	920,216	-
Reserve for Encumbrances - October 1, 2016	-	346	346	-
Change in Reserve for Prepaid Costs and Inventory	-	-	(110,458)	110,458
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 837,266</u>	<u>\$ 228,843</u>	<u>999,375</u>	<u>\$ 1,077,148</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			12,280	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			118,642	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 1,130,297</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Nonmajor Special Revenue Funds**  
*Emergency Medical Services*  
**Fiscal Year Ended September 30, 2017**

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Licenses and Permits	\$ -	\$ -	\$ 100	\$ 100
Charges for Services and User Fees	12,078,029	12,078,029	12,119,977	41,948
Federal, State, Other Grants	-	-	7,837	7,837
State - Other	27,000	27,000	31,670	4,670
Pinellas County - Other	-	-	21,596	21,596
Earnings in Investments	28,000	28,000	25,753	(2,247)
Dispositions of Property	-	-	5,565	5,565
Other	-	-	217	217
<b>Total Revenues</b>	<u>12,133,029</u>	<u>12,133,029</u>	<u>12,212,715</u>	<u>79,686</u>
<b>Expenditures</b>				
Current Operations:				
Public Safety				
Fire and EMS	12,637,091	12,962,949	12,532,713	430,236
Capital Outlay	875,107	1,024,873	720,905	303,968
<b>Total Expenditures</b>	<u>13,512,198</u>	<u>13,987,822</u>	<u>13,253,618</u>	<u>734,204</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,379,169)</u>	<u>(1,854,793)</u>	<u>(1,040,903)</u>	<u>813,890</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>(1,379,169)</u>	<u>(1,854,793)</u>	<u>(1,040,903)</u>	<u>813,890</u>
<b>Budgetary Fund Balances - October 1</b>	1,645,116	1,645,116	1,645,116	-
Reserve for Encumbrances - October 1, 2016	-	211,532	211,532	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 265,947</u>	<u>\$ 1,855</u>	<u>815,745</u>	<u>\$ 813,890</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			49,643	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			4,034	
<b>Fund Balance - September 30</b>			<u>\$ 869,422</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Local Housing Assistance Trust*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ 1,622,936	\$ 1,659,445	\$ 1,676,070	\$ 16,625
Earnings in Investments	36,000	36,000	72,385	36,385
Other	390,000	390,000	700,205	310,205
<b>Total Revenues</b>	<u>2,048,936</u>	<u>2,085,445</u>	<u>2,448,660</u>	<u>363,215</u>
<b>Expenditures</b>				
Current Operations:				
Public Works	-	-	1,020	(1,020)
Recreation, Culture and Social	2,022,936	3,606,388	2,045,235	1,561,153
<b>Total Expenditures</b>	<u>2,022,936</u>	<u>3,606,388</u>	<u>2,046,255</u>	<u>1,560,133</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>26,000</u>	<u>(1,520,943)</u>	<u>402,405</u>	<u>1,923,348</u>
<b>Budgetary Fund Balances - October 1</b>	1,524,107	1,524,107	1,524,107	-
Reserve for Encumbrances - October 1, 2016	-	59,603	59,603	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 1,550,107</u>	<u>\$ 62,767</u>	1,986,115	<u>\$ 1,923,348</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			6,775	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			4,081	
<b>Fund Balance - September 30</b>			<u>\$ 1,996,971</u>	

See accompanying Independent Auditor's Report



**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Community Housing Trust*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Earnings in Investments	\$ 8,000	\$ 8,000	\$ 37,528	\$ 29,528
Other	-	-	41,220	41,220
<b>Total Revenues</b>	<u>8,000</u>	<u>8,000</u>	<u>78,748</u>	<u>70,748</u>
<b>Expenditures</b>				
Current Operations:				
Recreation, Culture and Social	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>8,000</u>	<u>8,000</u>	<u>78,748</u>	<u>70,748</u>
<b>Budgetary Fund Balances - October 1</b>	94,594	94,594	94,594	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 102,594</u>	<u>\$ 102,594</u>	<u>173,342</u>	<u>\$ 70,748</u>
<b>Reconciliation of Budget to GAAP Reporting</b>			-	
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			676	
<b>Fund Balance - September 30</b>			<u>\$ 174,018</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Nonmajor Special Revenue Funds**  
**School Crossing Guard Fund**  
**Fiscal Year Ended September 30, 2017**

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Fines and Forfeitures	\$ 370,000	\$ 370,000	\$ 386,175	\$ 16,175
Earnings in Investments	5,000	5,000	815	(4,185)
Other	-	-	-	-
<b>Total Revenues</b>	<u>375,000</u>	<u>375,000</u>	<u>386,990</u>	<u>11,990</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>375,000</u>	<u>375,000</u>	<u>386,990</u>	<u>11,990</u>
<b>Other Financing Sources (Uses)</b>				
Transfers Out	(370,000)	(375,000)	(374,911)	89
<b>Total Other Financing Sources (Uses)</b>	<u>(370,000)</u>	<u>(375,000)</u>	<u>(374,911)</u>	<u>89</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>5,000</u>	<u>-</u>	<u>12,079</u>	<u>12,079</u>
<b>Budgetary Fund Balances - October 1</b>	51,624	51,624	51,624	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 56,624</u>	<u>\$ 51,624</u>	<u>63,703</u>	<u>\$ 12,079</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			409	
<b>Fund Balance - September 30</b>			<u>\$ 64,112</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Police Grants Fund*  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Federal, State and Other Grants	\$ -	\$ 123,740	\$ 150,990	\$ 27,250
Earnings in Investments	1,000	1,000	-	(1,000)
<b>Total Revenues</b>	<u>1,000</u>	<u>124,740</u>	<u>150,990</u>	<u>26,250</u>
<b>Expenditures</b>				
Current Operations:				
Public Safety				
Police	-	195,476	143,076	52,400
Capital Outlay	-	-	14,963	(14,963)
<b>Total Expenditures</b>	<u>-</u>	<u>195,476</u>	<u>158,039</u>	<u>37,437</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>1,000</u>	<u>(70,736)</u>	<u>(7,049)</u>	<u>63,687</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>1,000</u>	<u>(70,736)</u>	<u>(7,049)</u>	<u>63,687</u>
<b>Budgetary Fund Balances - October 1</b>	(73,955)	(73,955)	(73,955)	-
Reserve for Encumbrances - October 1, 2016	-	79,420	79,420	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ (72,955)</u>	<u>\$ (65,271)</u>	<u>(1,584)</u>	<u>\$ 63,687</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			6,662	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 5,078</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Police Officers Training*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 46,994	\$ 46,994
Earnings in Investments	-	-	1,691	1,691
Other	150,000	150,000	360	(149,640)
<b>Total Revenues</b>	<u>150,000</u>	<u>150,000</u>	<u>49,045</u>	<u>(100,955)</u>
<b>Expenditures</b>				
Current Operations:				
Public Safety				
Police	150,000	150,000	30,403	(119,597)
<b>Total Expenditures</b>	<u>150,000</u>	<u>150,000</u>	<u>30,403</u>	<u>(119,597)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>18,642</u>	<u>18,642</u>
<b>Budgetary Fund Balances - October 1</b>	94,046	94,046	94,046	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 94,046</u>	<u>\$ 94,046</u>	112,688	<u>\$ 18,642</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			265	
<b>Fund Balance - September 30</b>			<u>\$ 112,953</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Donation Funds*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Charges for Services and User Fees	\$ -	\$ -	\$ 16,403	\$ 16,403
Federal, State and Other Grants	-	-	-	-
Earnings in Investments	-	-	6,881	6,881
Contributions	850,000	850,000	232,972	(617,028)
Other	-	-	2,590	2,590
<b>Total Revenues</b>	<u>850,000</u>	<u>850,000</u>	<u>258,846</u>	<u>(591,154)</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	-	-	17,584	(17,584)
Public Safety				
Police	-	-	1,835	(1,835)
Fire and EMS	-	-	607	(607)
Recreation, Culture and Social	850,000	850,855	266,166	584,689
Capital Outlay	-	-	0	-
<b>Total Expenditures</b>	<u>850,000</u>	<u>850,855</u>	<u>286,192</u>	<u>564,663</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(855)</u>	<u>(27,346)</u>	<u>(26,491)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	7,549	7,549
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>7,549</u>	<u>7,549</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>(855)</u>	<u>(19,797)</u>	<u>(18,942)</u>
<b>Budgetary Fund Balances - October 1</b>	538,380	538,380	538,380	-
Reserve for Encumbrances - October 1, 2016	-	855	855	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 538,380</u>	<u>\$ 538,380</u>	<u>519,438</u>	<u>\$ (18,942)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			16,005	
<b>Fund Balance - September 30</b>			<u>\$ 535,443</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**

*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*

*Nonmajor Debt Service Funds*

*Professional Sports Facility Sales Tax*

*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Earnings in Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	1,495,000	1,495,000	1,495,000	-
Interest Payments	410,083	410,083	410,083	-
Remarketing and Other Fees	-	-	-	-
<b>Total Expenditures</b>	<u>1,905,083</u>	<u>1,905,083</u>	<u>1,905,083</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,905,083)</u>	<u>(1,905,083)</u>	<u>(1,905,083)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	1,920,424	1,920,424	1,920,424	-
<b>Total Other Financing Sources (Uses)</b>	<u>1,920,424</u>	<u>1,920,424</u>	<u>1,920,424</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>15,341</u>	<u>15,341</u>	<u>15,341</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>				-
Reserve for Encumbrances - October 1, 2016	1,709,871	1,709,871	1,709,871	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 1,725,212</u>	<u>\$ 1,725,212</u>	<u>1,725,212</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 1,725,212</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*BB&T Notes*  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	210,000	210,000	210,000	-
Interest Payments	20,085	20,085	20,085	-
<b>Total Expenditures</b>	<u>230,085</u>	<u>230,085</u>	<u>230,085</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(230,085)</u>	<u>(230,085)</u>	<u>(230,085)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	230,085	230,085	230,085	-
<b>Total Other Financing Sources (Uses)</b>	<u>230,085</u>	<u>230,085</u>	<u>230,085</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Banc of America*  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	159,000	159,000	159,000	-
Interest Payments	38,665	38,665	38,665	-
<b>Total Expenditures</b>	<u>197,665</u>	<u>197,665</u>	<u>197,665</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(197,665)</u>	<u>(197,665)</u>	<u>(197,665)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	197,665	197,665	197,665	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>197,665</u>	<u>197,665</u>	<u>197,665</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report



**City of St. Petersburg, Florida**

*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Nonmajor Debt Service Funds*

*JP Morgan Chase*

*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	2,978,000	2,978,000	2,978,000	-
Interest Payments	190,504	190,504	190,346	158
Remarketing and Other Fees	-	-	-	-
<b>Total Expenditures</b>	<u>3,168,504</u>	<u>3,168,504</u>	<u>3,168,346</u>	<u>158</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,168,504)</u>	<u>(3,168,504)</u>	<u>(3,168,346)</u>	<u>(158)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	3,168,504	3,168,504	3,168,346	(158)
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>3,168,504</u>	<u>3,168,504</u>	<u>3,168,346</u>	<u>(158)</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Public Service Tax*  
*Fiscal Year Ended September 30, 2017*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/ Under
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	2,528,938	400,000	400,000	-
Interest Payments	-	2,128,938	2,033,358	95,580
Remarketing and Other Fees	-	-	-	-
<b>Total Expenditures</b>	<u>2,528,938</u>	<u>2,528,938</u>	<u>2,433,358</u>	<u>95,580</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,528,938)</u>	<u>(2,528,938)</u>	<u>(2,433,358)</u>	<u>95,580</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	2,528,938	2,688,319	2,655,651	(32,668)
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,528,938</u>	<u>2,688,319</u>	<u>2,655,651</u>	<u>(32,668)</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>159,381</u>	<u>222,293</u>	<u>62,912</u>
<b>Budgetary Fund Balances - October 1</b>	1,476,557	1,476,557	1,476,557	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 1,476,557</u>	<u>\$ 1,635,938</u>	<u>1,698,850</u>	<u>\$ 62,912</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 1,698,850</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Banc of America Leasing & Capital*  
*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Proceeds from Sale of Debt Instrument	\$ -	\$ 2,570,000	\$ 2,570,000	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>2,570,000</u>	<u>2,570,000</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Financing Fees and Premium Paid	-	-	18,598	(18,598)
Remarketing and Other Fees	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>18,598</u>	<u>(18,598)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>2,570,000</u>	<u>2,551,402</u>	<u>(18,598)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(2,550,000)	(2,180,903)	369,097
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(2,550,000)</u>	<u>(2,180,903)</u>	<u>369,097</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>20,000</u>	<u>370,499</u>	<u>350,499</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>370,499</u>	<u>\$ 350,499</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 370,499</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**

*Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual  
Nonmajor Debt Service Funds  
TD Bank, N.A.*

*Fiscal Year Ended September 30, 2017*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/ Under</u>
<b>Revenues</b>				
Proceeds from Sale of Debt Instrument	\$ -	\$ 52,610,000	\$ 52,610,000	\$ -
<b>Total Revenues</b>	<u>-</u>	<u>52,610,000</u>	<u>52,610,000</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Financing Fees and Premium Paid	-	86,900	130,290	(43,390)
Remarketing and Other Fees	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>86,900</u>	<u>130,290</u>	<u>(43,390)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>52,523,100</u>	<u>52,479,710</u>	<u>(43,390)</u>
<b>Other Financing Sources (Uses)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(52,473,000)	(46,872,450)	5,600,550
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>(52,473,000)</u>	<u>(46,872,450)</u>	<u>5,600,550</u>
<b>Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses</b>	<u>-</u>	<u>50,100</u>	<u>5,607,260</u>	<u>5,557,160</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances - October 1, 2016	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ -</u>	<u>\$ 50,100</u>	<u>5,607,260</u>	<u>\$ 5,557,160</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances - September 30, 2017			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
<b>Fund Balance - September 30</b>			<u>\$ 5,607,260</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**

**Non-Major Enterprise Funds**

Enterprise Funds account for operations that are financed and operated in a manner similar to private enterprise.

Airport - This fund is used to account for the operation of Albert Whitted Municipal Airport.

Port - This fund is used to account for the operation of the Port of St. Petersburg.

Marina - This fund is used to account for the operation of the St. Petersburg Municipal Marina.

Golf Course - This fund is used to account for the operation of Mangrove Bay, Cypress Links at Mangrove Bay, and Twin Brooks golf courses.

Jamestown Complex - This fund is used to account for rental housing units for lower and middle income residents.

Parking - This fund is used to account for the revenue collected from downtown parking and the related fines and is used for parking operations, improvements, and debt service.

Mahaffey Theater - This fund is used to account for the revenue generated by the Mahaffey Theater, general fund transfers and the related operating and capital expenditures.

Pier - This fund is used to account for the revenue generated by the Pier, general fund transfers and the related operating and capital expenditures.

Coliseum - This fund is used to account for the revenue generated by the Coliseum, general fund transfers and the related operating and capital expenditures.

Sunken Gardens - This fund is used to account for the revenue generated by the Sunken Gardens, general fund transfers and the related operating and capital expenditures.

**City of St. Petersburg, Florida**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2017**

	Airport	Port	Marina	Golf Course
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 243,802	\$ 84,290	\$ 1,092,162	\$ 25,087
Investments	13,974	20,179	1,242,972	4,068
Receivables (Net, where applicable, of Allowance for Uncollectibles)				
Accounts	48,879	14,216	41,832	8,086
Due from Other Governmental Agencies:				
Grants	78,441	-	-	-
Inventories	-	-	37,891	134,196
Prepaid Expenses and Deposits	-	-	1,250	3,500
Total Current Assets	<u>385,096</u>	<u>118,685</u>	<u>2,416,107</u>	<u>174,937</u>
Noncurrent Assets:				
Restricted Investments	-	-	2,407,808	-
Capital Assets:				
Land	1,912,168	1,001,500	-	392,907
Buildings	12,128,053	11,100,759	4,021,915	1,518,898
Improvements	13,087,917	8,059,540	14,060,802	6,331,178
Machinery and Equipment	165,774	5,100	328,058	916,154
Projects in Progress	1,012,858	-	205,391	-
Accumulated Depreciation	<u>(10,323,692)</u>	<u>(6,238,382)</u>	<u>(12,812,049)</u>	<u>(5,810,679)</u>
Net Capital Assets	<u>17,983,078</u>	<u>13,928,517</u>	<u>5,804,117</u>	<u>3,348,458</u>
Total Noncurrent Assets	<u>17,983,078</u>	<u>13,928,517</u>	<u>8,211,925</u>	<u>3,348,458</u>
<b>Total Assets</b>	<u>18,368,174</u>	<u>14,047,202</u>	<u>10,628,032</u>	<u>3,523,395</u>
<b>Deferred Outflows of Resources</b>				
Deferred Outflows of Pension Resources	19,679	16,399	137,753	295,186
<b>Total Deferred Outflows of Resources</b>	<u>19,679</u>	<u>16,399</u>	<u>137,753</u>	<u>295,186</u>
<b>Liabilities</b>				
Current Liabilities:				
Vouchers and Accounts Payable	69,027	6,638	147,482	61,888
Accrued Salaries	11,625	6,223	35,843	78,862
Accrued Annual Leave	-	-	427	14,329
Retainage on Contracts	-	-	7,542	625
Due to Other Funds	-	-	-	394,107
Due to Other Governmental Agencies	6,693	262	17,682	9,543
Payable from Restricted Assets:				
Bonds and Notes Payable - Current Portion	-	-	580,000	-
Accrued Interest	-	-	35,061	-
Deposits	51,000	-	40,490	124,676
Unearned Revenue	200	-	-	-
Total Current Liabilities	<u>138,545</u>	<u>13,123</u>	<u>864,527</u>	<u>684,030</u>
Noncurrent Liabilities:				
Advance from Other Funds	2,271,233	-	-	1,450,380
Accrued Annual Leave less Current Portion	24,794	3,865	68,916	192,960
Net Pension Liability	30,127	25,106	210,892	451,911
Obligation for OPEB	74,975	196,806	422,945	718,080
Notes Payable	-	-	4,960,000	-
Total Noncurrent Liabilities	<u>2,401,129</u>	<u>225,777</u>	<u>5,662,753</u>	<u>2,813,331</u>
<b>Total Liabilities</b>	<u>2,539,674</u>	<u>238,900</u>	<u>6,527,280</u>	<u>3,497,361</u>
<b>Deferred Inflows of Resources</b>				
Deferred Inflows of Pension Resources	3,902	3,251	27,312	58,526
<b>Total Deferred Inflows of Resources</b>	<u>3,902</u>	<u>3,251</u>	<u>27,312</u>	<u>58,526</u>
<b>Net Position</b>				
Net Investment in Capital Assets	17,983,078	13,928,517	2,671,925	3,348,458
Unrestricted	<u>(2,138,801)</u>	<u>(107,067)</u>	<u>1,539,268</u>	<u>(3,085,764)</u>
<b>Total Net Position</b>	<u>\$ 15,844,277</u>	<u>\$ 13,821,450</u>	<u>\$ 4,211,193</u>	<u>\$ 262,694</u>

See accompanying Independent Auditor's Report.

<b>Jamestown Complex</b>	<b>Parking</b>	<b>Mahaffey Theater</b>	<b>Pier</b>	<b>Coliseum</b>	<b>Sunken Gardens</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ 45,676	\$ 877,319	\$ 92,146	\$ 9,910	\$ 166,314	\$ 249,075	\$ 2,885,781
-	5,306,873	-	-	26,633	223,454	6,838,153
18,096	376,275	1,418	124	2,069	382	511,377
-	-	-	-	-	-	78,441
-	-	-	-	17,905	59,685	249,677
-	-	-	-	1,000	15,513	21,263
63,772	6,560,467	93,564	10,034	213,921	548,109	10,584,692
-	-	-	-	-	-	2,407,808
1,738,673	50,023	2,313,500	-	2,015,663	2,918,450	12,342,884
6,159,031	12,162,894	50,063,083	163,970	2,270,062	4,187,747	103,776,412
-	1,806,774	8,796,878	-	729,336	1,901,909	54,774,334
135,009	1,814,968	3,689,051	-	845,506	64,975	7,964,595
-	-	-	13,343,504	-	-	14,561,753
(2,199,712)	(6,668,656)	(29,812,019)	(6,559)	(2,517,259)	(2,442,693)	(78,831,700)
5,833,001	9,166,003	35,050,493	13,500,915	3,343,308	6,630,388	114,588,278
5,833,001	9,166,003	35,050,493	13,500,915	3,343,308	6,630,388	116,996,086
5,896,773	15,726,470	35,144,057	13,510,949	3,557,229	7,178,497	127,580,778
49,198	396,861	-	-	49,198	52,477	1,016,751
49,198	396,861	-	-	49,198	52,477	1,016,751
27,037	368,538	35,833	-	3,572	34,422	754,437
10,802	68,932	-	-	15,582	27,078	254,947
-	1,488	-	-	-	-	16,244
-	-	-	-	-	-	8,167
139,037	-	-	-	-	-	533,144
-	13,586	-	-	920	9,097	57,783
-	-	-	-	-	-	580,000
-	-	-	-	-	-	35,061
45,119	-	-	-	150,950	355,034	767,269
-	-	-	-	-	32,345	32,545
221,995	452,544	35,833	-	171,024	457,976	3,039,597
298,000	-	-	-	-	-	4,019,613
51,325	55,261	-	-	36,297	32,937	466,355
75,318	607,569	-	-	75,318	80,340	1,556,581
133,530	596,078	-	-	134,803	140,025	2,417,242
-	-	-	-	-	-	4,960,000
558,173	1,258,908	-	-	246,418	253,302	13,419,791
780,168	1,711,452	35,833	-	417,442	711,278	16,459,388
9,754	78,685	-	-	9,754	10,405	201,589
9,754	78,685	-	-	9,754	10,405	201,589
5,833,001	9,166,003	35,050,493	13,500,915	3,343,308	6,630,388	111,456,086
(676,952)	5,167,191	57,731	10,034	(164,077)	(121,097)	480,466
\$ 5,156,049	\$ 14,333,194	\$ 35,108,224	\$ 13,510,949	\$ 3,179,231	\$ 6,509,291	\$ 111,936,552

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
**Nonmajor Enterprise Funds**  
*Fiscal Year Ended September 30, 2017*

	<b>Airport</b>	<b>Port</b>	<b>Marina</b>	<b>Golf Course</b>
<b>Operating Revenues</b>				
Sales and Concessions	\$ -	\$ -	\$ 784,277	\$ 439,375
Service Charges and Fees	-	64,282	2,583	1,984,930
Fines and Forfeitures	-	-	135	-
Rentals and Parking	1,137,980	23,978	2,996,875	428,173
<b>Total Operating Revenues</b>	<u>1,137,980</u>	<u>88,260</u>	<u>3,783,870</u>	<u>2,852,478</u>
<b>Operating Expenses</b>				
Personal Services and Benefits	394,345	200,544	1,073,575	2,279,572
Supplies, Services and Claims	405,133	283,096	1,505,322	1,035,101
General Administrative Charges	32,508	-	86,052	220,176
Depreciation	679,490	542,779	593,109	249,481
<b>Total Operating Expenses</b>	<u>1,511,476</u>	<u>1,026,419</u>	<u>3,258,058</u>	<u>3,784,330</u>
<b>Operating Income (Loss)</b>	<u>(373,496)</u>	<u>(938,159)</u>	<u>525,812</u>	<u>(931,852)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Intergovernmental Revenues	-	-	864	328
Earnings on Investments	134	(30)	33,456	172
Interest Expense	(39,463)	-	(186,021)	-
Issue Cost and Amortization of Bond Discount	-	-	(76,872)	-
Gain (Loss) on Disposition of Capital Assets	-	-	859	-
Miscellaneous Revenue	7,923	-	285	92
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(31,406)</u>	<u>(30)</u>	<u>(227,429)</u>	<u>592</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>(404,902)</u>	<u>(938,189)</u>	<u>298,383</u>	<u>(931,260)</u>
<b>Transfers and Contributions</b>				
Capital Assets from (to) Other Funds	-	-	-	604,295
Contributions from Citizens and Developers	-	-	-	15,350
Capital Contributions	379,166	61,434	-	-
Transfers In (Out):				
Transfers In	35,984	285,000	14,422	22,140
Transfers Out	-	-	(434,272)	(66,060)
<b>Total Transfers and Contributions</b>	<u>415,150</u>	<u>346,434</u>	<u>(419,850)</u>	<u>575,725</u>
<b>Change in Net Position</b>	<u>10,248</u>	<u>(591,755)</u>	<u>(121,467)</u>	<u>(355,535)</u>
<b>Net Position - October 1</b>	<u>15,834,029</u>	<u>14,413,205</u>	<u>4,332,660</u>	<u>618,229</u>
<b>Net Position - September 30</b>	<u>\$ 15,844,277</u>	<u>\$ 13,821,450</u>	<u>\$ 4,211,193</u>	<u>\$ 262,694</u>

See accompanying Independent Auditor's Report.



<b>Jamestown Complex</b>	<b>Parking</b>	<b>Mahaffey Theater</b>	<b>Pier</b>	<b>Coliseum</b>	<b>Sunken Gardens</b>	<b>Total Nonmajor Enterprise Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,223,652
11,528	5,963,120	146,434	-	659,576	1,354,252	10,186,705
-	1,468,361	-	-	-	-	1,468,496
571,738	205,587	-	-	-	-	5,364,331
583,266	7,637,068	146,434	-	659,576	1,354,252	18,243,184
376,289	2,045,099	46,000	-	502,472	769,270	7,687,166
304,675	3,281,752	753,996	19,668	309,472	617,495	8,515,710
-	234,612	-	-	-	-	573,348
113,053	372,409	1,649,354	3,279	58,000	159,158	4,420,112
794,017	5,933,872	2,449,350	22,947	869,944	1,545,923	21,196,336
(210,751)	1,703,196	(2,302,916)	(22,947)	(210,368)	(191,671)	(2,953,152)
-	-	-	-	-	-	1,192
-	45,348	-	-	256	2,055	81,391
-	-	-	-	-	-	(225,484)
-	-	-	-	-	-	(76,872)
(351,715)	(148,967)	-	-	273	-	(499,550)
-	165	29	-	5	409	8,908
(351,715)	(103,454)	29	-	534	2,464	(710,415)
(562,466)	1,599,742	(2,302,887)	(22,947)	(209,834)	(189,207)	(3,663,567)
-	539,605	1,857,129	8,055,580	137,716	344,520	11,538,845
-	-	314,004	-	-	1,143	330,497
-	-	-	-	-	-	440,600
92,581	313,798	321,000	20,000	147,000	19,000	1,270,925
-	(1,403,958)	-	-	-	-	(1,904,290)
92,581	(550,555)	2,492,133	8,075,580	284,716	364,663	11,676,577
(469,885)	1,049,187	189,246	8,052,633	74,882	175,456	8,013,010
5,625,934	13,284,007	34,918,978	5,458,316	3,104,349	6,333,835	103,923,542
\$ 5,156,049	\$ 14,333,194	\$ 35,108,224	\$ 13,510,949	\$ 3,179,231	\$ 6,509,291	\$ 111,936,552

**City of St. Petersburg, Florida**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
**Fiscal Year Ended September 30, 2017**

	<u>Airport</u>	<u>Port</u>	<u>Marina</u>	<u>Golf Course</u>
<b>Cash flows from operating activities</b>				
Cash received from customers and users	\$ 1,183,288	\$ 92,278	\$ 3,798,939	\$ 2,875,416
Cash payments for interfund services provided	(396,268)	(50,452)	(552,581)	(637,901)
Cash payments to vendors for goods & services	(170,865)	(318,187)	(1,219,845)	(906,973)
Cash payments to employees for services	(201,313)	(144,827)	(755,702)	(1,873,374)
<b>Cash provided by (used for) operating activities</b>	<u>414,842</u>	<u>(421,188)</u>	<u>1,270,811</u>	<u>(542,832)</u>
<b>Cash flows from noncapital financing activities</b>				
Intergovernmental Revenue	-	-	864	328
(Payment) Receipt on Interfund Loan	(2,854,303)	-	-	699,685
Transfers-in	-	285,000	-	-
Transfers-out	-	-	(434,272)	(66,060)
<b>Cash provided by (used for) noncapital financing activities</b>	<u>(2,854,303)</u>	<u>285,000</u>	<u>(433,408)</u>	<u>633,953</u>
<b>Cash flows from capital &amp; related financing activities</b>				
Proceeds from the issuance of debt	-	-	5,735,000	-
Acquisition & Construction of Capital Assets	(452,370)	(28,758)	(128,637)	(96,070)
Proceeds from sale of property, plant, equipment	-	-	-	-
Bond fees and costs	-	-	(67,498)	-
Payment of interest	(39,463)	-	(115,717)	-
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	(195,000)	-
Payments to Escrow Agents - Debt Refunding	-	-	(3,555,485)	-
Intergovernmental revenue	3,123,445	62,053	-	-
<b>Cash provided by (used for) capital &amp; related financing activities</b>	<u>2,631,612</u>	<u>33,295</u>	<u>1,672,663</u>	<u>(96,070)</u>
<b>Cash flows from investment activities</b>				
Purchase, Sale and Maturities of Investments, net	(2,315)	55,505	(1,950,059)	(673)
Interest received on investments	286	1,186	50,345	45
<b>Cash provided by (used for) investing activities</b>	<u>(2,029)</u>	<u>56,691</u>	<u>(1,899,714)</u>	<u>(628)</u>
<b>Net increase (decrease) in cash</b>	190,122	(46,202)	610,352	9,773
<b>Cash at beginning of year</b>	<u>53,680</u>	<u>130,492</u>	<u>481,810</u>	<u>15,314</u>
<b>Cash at year end</b>	<u>\$ 243,802</u>	<u>\$ 84,290</u>	<u>\$ 1,092,162</u>	<u>\$ 25,087</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>				
<b>Cash flows from operating activities</b>				
Operating Income (loss)	\$ (373,496)	\$ (938,159)	\$ 525,812	\$ (931,852)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation	679,490	542,779	593,109	249,481
Amortization	(1,453)	(870)	(13,076)	(48,401)
Other non-operating income (loss), net	7,923	-	(8,367)	92
Changes in assets and liabilities:				
Accounts Receivable, DFOG, net	37,485	4,018	6,862	2,500
Prepays & Other Assets	-	-	(952)	(7,555)
Accounts Payable & Accrued Liabilities	53,491	(52,745)	81,463	10,206
Deposits	-	-	7,200	20,346
Accrued Salary, Compensated Absences and OPEB	11,402	23,789	78,760	162,351
<b>Cash provided by (used for) operating activities</b>	<u>414,842</u>	<u>(421,188)</u>	<u>1,270,811</u>	<u>(542,832)</u>
<b>Non-cash Investing, Capital, and Financing Activities</b>				
Contributions of Capital Assets (to)/from Other Funds	\$ 35,984	\$ -	\$ 14,422	\$ 626,435
Change in Fair Value of Investments	(152)	(1,216)	(16,889)	127
<b>Total</b>	<u>\$ 35,832</u>	<u>\$ (1,216)</u>	<u>\$ (2,467)</u>	<u>\$ 626,562</u>

See accompanying Independent Auditor's Report.

<b>Jamestown Complex</b>	<b>Parking</b>	<b>Mahaffey Theater</b>	<b>Pier</b>	<b>Coliseum</b>	<b>Sunken Gardens</b>	<b>Total</b>
\$ 581,822	\$ 7,635,673	\$ (458,580)	\$ 1	\$ 658,702	\$ 1,473,264	\$ 17,840,803
(193,760)	(1,009,810)	(145,996)	(84)	(214,147)	(241,481)	(3,442,480)
(221,036)	(2,688,484)	(716,681)	(19,584)	(263,317)	(565,787)	(7,090,759)
(227,902)	(1,650,241)	-	-	(325,965)	(565,232)	(5,744,556)
(60,876)	2,287,138	(1,321,257)	(19,667)	(144,727)	100,764	1,563,008
-	-	-	-	-	-	1,192
4,818	-	-	-	-	-	(2,149,800)
92,581	8,166	321,000	20,000	147,000	19,000	892,747
-	(1,403,958)	-	-	-	-	(1,904,290)
97,399	(1,395,792)	321,000	20,000	147,000	19,000	(3,160,151)
-	-	-	-	-	-	5,735,000
-	-	1	-	-	(1,747)	(707,581)
-	-	-	-	-	-	-
-	-	-	-	-	-	(67,498)
-	-	-	-	-	-	(155,180)
-	-	-	-	-	-	(195,000)
-	-	-	-	-	-	(3,555,485)
-	-	-	-	-	-	3,185,498
-	-	1	-	-	(1,747)	4,239,754
-	(1,011,818)	-	-	(4,411)	(28,404)	(2,942,175)
-	100,763	-	-	545	4,629	157,799
-	(911,055)	-	-	(3,866)	(23,775)	(2,784,376)
36,523	(19,709)	(686,252)	333	(1,593)	95,385	188,732
9,153	897,028	778,398	9,577	167,907	153,690	2,697,049
\$ 45,676	\$ 877,319	\$ 92,146	\$ 9,910	\$ 166,314	\$ 249,075	\$ 2,885,781
\$ (210,751)	\$ 1,703,196	\$ (2,302,916)	\$ (22,947)	\$ (210,368)	\$ (191,671)	\$ (2,953,152)
113,053	372,409	1,649,354	3,279	58,000	159,158	4,420,112
(8,750)	(68,529)	-	-	(565)	(9,332)	(150,976)
(9,582)	165	29	1	278	409	(9,052)
1,327	(1,560)	26,497	-	5,861	22	83,012
-	-	103,862	-	(4,531)	(18,796)	72,028
15,833	107,937	(742,188)	-	(3,270)	12,665	(516,608)
6,811	-	(55,895)	-	(6,743)	108,630	80,349
31,183	173,520	-	-	16,611	39,679	537,295
(60,876)	2,287,138	(1,321,257)	(19,667)	(144,727)	100,764	1,563,008
\$ (342,133)	\$ 845,237	\$ 1,857,129	\$ 8,055,580	\$ 137,716	\$ 344,520	\$ 11,574,890
-	(55,415)	-	-	(289)	(2,574)	(76,408)
\$ (342,133)	\$ 789,822	\$ 1,857,129	\$ 8,055,580	\$ 137,427	\$ 341,946	\$ 11,498,482



## **City of St. Petersburg, Florida**

### **Internal Service Funds**

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost reimbursement basis.

Equipment Maintenance - This fund is used to account for vehicle and equipment maintenance, rental, and replacement.

Facilities Maintenance - This fund is used to account for the rental and maintenance of City Hall and other municipal office buildings.

Technology Services - This fund is used to account for central data processing and telephone systems and technology services.

Billing and Collections Services (Billing and Collections) - This fund is used to account for the billing and collection of utility accounts, occupational taxes, and special assessments. It also includes cashiering functions and collection of invoices.

Consolidated inventory - This fund is used to account for inventory management and warehousing services.

Insurance Services ("Insurance") - This fund is used to account for insurance and risk management services for all funds.

**City of St. Petersburg, Florida**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**September 30, 2017**

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Technology Services</b>	<b>Billing and Collections</b>
<b>Assets</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 1,375,321	\$ 879,118	\$ 640,461	\$ 806,091
Investments	18,276,184	1,780,699	3,087,598	10,985,588
Receivables (Net, where applicable, of Allowance for Uncollectibles):				
Accounts	2,472	-	950	1,205,569
Due to Other Governmental Agencies:				
Services	4,942	-	-	7,657
Inventories	757,418	-	15,966	-
Prepaid Expenses and Deposits	-	-	547,763	-
Total Current Assets	<u>20,416,337</u>	<u>2,659,817</u>	<u>4,292,738</u>	<u>13,004,905</u>
Noncurrent Assets:				
Capital Assets:				
Land	1,076,640	770,000	-	-
Buildings	2,945,333	7,231,831	-	-
Improvements	1,363,135	1,729,023	-	-
Machinery and Equipment	3,190,926	3,665,405	3,999,787	625,534
Projects in Progress	-	-	290,752	-
Accumulated Depreciation	(5,846,780)	(9,642,140)	(3,851,329)	(457,774)
Net Capital Assets	<u>2,729,254</u>	<u>3,754,119</u>	<u>439,210</u>	<u>167,760</u>
<b>Total Assets</b>	<u>23,145,591</u>	<u>6,413,936</u>	<u>4,731,948</u>	<u>13,172,665</u>
<b>Liabilities</b>				
Current Liabilities:				
Vouchers and Accounts Payable	1,163,896	1,272,990	304,205	597,069
Accrued Salaries	202,945	44,298	235,748	244,803
Accrued Annual Leave	9,055	590	23,241	20,650
Due to Other Governmental Agencies	-	-	13,938	971,485
Claims - Current Portion	-	-	-	-
Other Current Liabilities	-	-	-	11,000
Deposits	-	-	-	8,524,988
Total Current Liabilities	<u>1,375,896</u>	<u>1,317,878</u>	<u>577,132</u>	<u>10,369,995</u>
Noncurrent Liabilities:				
Accrued Annual Leave less Current Portion	366,576	95,327	455,682	442,920
Claims	-	-	-	-
Obligation for OPEB	1,197,309	175,713	1,611,429	2,135,370
Total Noncurrent Liabilities	<u>1,563,885</u>	<u>271,040</u>	<u>2,067,111</u>	<u>2,578,290</u>
<b>Total Liabilities</b>	<u>2,939,781</u>	<u>1,588,918</u>	<u>2,644,243</u>	<u>12,948,285</u>
<b>Net Position</b>				
Net Investment in Capital Assets	2,729,254	3,754,119	439,210	167,760
Unrestricted	17,476,556	1,070,899	1,648,495	56,620
<b>Total Net Position</b>	<u>\$ 20,205,810</u>	<u>\$ 4,825,018</u>	<u>\$ 2,087,705</u>	<u>\$ 224,380</u>

See accompanying Independent Auditor's Report.

<b>Consolidated Inventory</b>	<b>Insurance</b>	<b>Total Internal Service Funds</b>
\$ 35,337	\$ 10,799,362	\$ 14,535,690
490,135	60,025,044	94,645,248
-	171,069	1,380,060
-	75	12,674
555,316	-	1,328,700
-	1,812,302	2,360,065
1,080,788	72,807,852	114,262,437
-	-	1,846,640
4,946,456	-	15,123,620
1,361	-	3,093,519
112,952	-	11,594,604
-	-	290,752
(1,138,194)	-	(20,936,217)
3,922,575	-	11,012,918
5,003,363	72,807,852	125,275,355
243,488	158,887	3,740,535
14,378	52,823	794,995
-	-	53,536
-	-	985,423
-	12,594,978	12,594,978
-	-	11,000
-	-	8,524,988
257,866	12,806,688	26,705,455
28,847	30,493	1,419,845
-	43,474,000	43,474,000
123,392	226,385	5,469,598
152,239	43,730,878	50,363,443
410,105	56,537,566	77,068,898
3,922,575	-	11,012,918
670,683	16,270,286	37,193,539
\$ 4,593,258	\$ 16,270,286	\$ 48,206,457

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Internal Service Funds*  
*Fiscal Year Ended September 30, 2017*

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Technology Services</b>	<b>Billing and Collections</b>
<b>Operating Revenues</b>				
Service Charges and Fees	\$ 24,149,683	\$ 2,891,880	\$ 10,695,367	\$ 8,875,754
<b>Total Operating Revenues</b>	<u>24,149,683</u>	<u>2,891,880</u>	<u>10,695,367</u>	<u>8,875,754</u>
<b>Operating Expenses</b>				
Personal Services and Benefits	5,616,268	1,117,227	6,415,487	6,440,892
Supplies, Services and Claims	9,610,191	1,242,023	3,153,716	2,553,924
General Administrative Charges	629,232	-	433,344	631,776
Depreciation	6,235,533	226,333	126,076	5,347
<b>Total Operating Expenses</b>	<u>22,091,224</u>	<u>2,585,583</u>	<u>10,128,623</u>	<u>9,631,939</u>
<b>Operating Income (Loss)</b>	<u>2,058,459</u>	<u>306,297</u>	<u>566,744</u>	<u>(756,185)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Intergovernmental Revenues	37,978	-	6,000	-
Earnings on Investments	125,941	14,015	25,708	178,533
Gain (Loss) on Disposition of Capital Assets	(11,111,766)	(196)	5,320	-
Miscellaneous Revenue	3,357	375	7	18,778
<b>Total Nonoperating Revenues (Expenses)</b>	<u>(10,944,490)</u>	<u>14,194</u>	<u>37,035</u>	<u>197,311</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>(8,886,031)</u>	<u>320,491</u>	<u>603,779</u>	<u>(558,874)</u>
<b>Transfers and Contributions</b>				
Capital Assets from (to) Other Funds	8,726	-	-	-
Transfers From (To) Other Funds:				
Transfers In	26,303	-	-	141,482
Transfers Out	(7,091,907)	(2,003,797)	-	-
<b>Total Transfers and Contributions</b>	<u>(7,056,878)</u>	<u>(2,003,797)</u>	<u>-</u>	<u>141,482</u>
<b>Change in Net Position</b>	<u>(15,942,909)</u>	<u>(1,683,306)</u>	<u>603,779</u>	<u>(417,392)</u>
<b>Net Position - October 1</b>	<u>36,148,719</u>	<u>6,508,324</u>	<u>1,483,926</u>	<u>641,772</u>
<b>Net Position - September 30</b>	<u>\$ 20,205,810</u>	<u>\$ 4,825,018</u>	<u>\$ 2,087,705</u>	<u>\$ 224,380</u>

See accompanying Independent Auditor's Report.



<b>Consolidated Inventory</b>	<b>Insurance</b>	<b>Total Internal Service Funds</b>
\$ 505,742	\$ 69,022,874	\$ 116,141,300
505,742	69,022,874	116,141,300
418,747	1,375,305	21,383,926
254,800	67,086,159	83,900,813
-	-	1,694,352
100,320	-	6,693,609
773,867	68,461,464	113,672,700
(268,125)	561,410	2,468,600
1,500	-	45,478
4,854	516,202	865,253
404	-	(11,106,238)
101	537,750	560,368
6,859	1,053,952	(9,635,139)
(261,266)	1,615,362	(7,166,539)
-	-	8,726
10,833	-	178,618
-	-	(9,095,704)
10,833	-	(8,908,360)
(250,433)	1,615,362	(16,074,899)
4,843,691	14,654,924	64,281,356
\$ 4,593,258	\$ 16,270,286	\$ 48,206,457

**City of St. Petersburg, Florida**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Fiscal Year Ended September 30, 2017**

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Technology Services</b>
<b>Cash flows from operating activities</b>			
Cash received from customers and users	\$ 23,426,563	\$ 3,225,017	\$ 10,699,744
Cash payments for interfund services provided	(2,063,574)	(556,974)	(1,459,029)
Cash payments to vendors for goods & services	(9,729,439)	(24,991)	(2,895,096)
Cash payments to employees for services	(4,510,834)	(910,103)	(5,515,247)
<b>Cash provided by (used for) operating activities</b>	<u>7,122,716</u>	<u>1,732,949</u>	<u>830,372</u>
<b>Cash flows from noncapital financing activities</b>			
Intergovernmental Revenue	37,978	-	6,000
Transfers-in	-	-	-
Transfers-out	(2,418,730)	(1,999,804)	-
<b>Cash provided by (used for) noncapital financing activities</b>	<u>(2,380,752)</u>	<u>(1,999,804)</u>	<u>6,000</u>
<b>Cash flows from capital &amp; related financing activities</b>			
Acquisition & Construction of Capital Assets	(2,686,678)	-	(118,376)
Proceeds from sale of property, plant, equipment	741,819	-	-
<b>Cash provided by (used for) capital &amp; related financing activities</b>	<u>(1,944,859)</u>	<u>-</u>	<u>(118,376)</u>
<b>Cash flows from operating activities</b>			
Purchase, Sale and Maturities of Investments, net	(3,893,536)	632,812	(1,290,403)
Interest received on investments	324,826	49,073	46,068
<b>Cash provided by (used for) investing activities</b>	<u>(3,568,710)</u>	<u>681,885</u>	<u>(1,244,335)</u>
<b>Net increase (decrease) in cash</b>	(771,605)	415,030	(526,339)
<b>Cash at beginning of year</b>	<u>2,146,926</u>	<u>464,088</u>	<u>1,166,800</u>
<b>Cash at year end</b>	<u>\$ 1,375,321</u>	<u>\$ 879,118</u>	<u>\$ 640,461</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used for) operating activities</b>			
<b>Cash flows from operating activities</b>			
Operating Income (loss)	\$ 2,058,459	\$ 306,297	\$ 566,744
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	6,235,533	226,333	126,076
Other non-operating income (loss), net	(720,788)	179	5,327
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	(2,332)	332,958	(950)
Prepays & Other Assets	(126,070)	-	(98,181)
Accounts Payable & Accrued Liabilities	(418,402)	836,795	90,271
Deposits	-	-	-
Accrued Salary, Compensated Absences and OPEB	96,316	30,387	141,085
<b>Cash provided by (used for) operating activities</b>	<u>7,122,716</u>	<u>1,732,949</u>	<u>830,372</u>
<b>Non-cash Investing, Capital, and Financing Activities</b>			
Contributions of Capital Assets (to)/from Other Funds	\$ (15,749,914)	\$ (3,993)	\$ -
Change in Fair Value of Investments	(198,885)	(35,058)	(20,360)
<b>Total</b>	<u>\$ (15,948,799)</u>	<u>\$ (39,051)</u>	<u>\$ (20,360)</u>

See accompanying Independent Auditor's Report.

<b>Billings &amp; Collections</b>	<b>Consolidated Inventory</b>	<b>Insurance</b>	<b>Total</b>
\$ 9,160,746	\$ 506,248	\$ 69,492,553	\$ 116,510,871
(2,380,253)	(126,929)	(273,463)	(6,860,222)
(1,527,741)	(150,835)	(66,977,375)	(81,305,477)
(5,336,589)	(332,874)	4,251,967	(12,353,680)
<u>(83,837)</u>	<u>(104,390)</u>	<u>6,493,682</u>	<u>15,991,492</u>
-	1,500	(50)	45,428
-	-	-	-
<u>110,400</u>	<u>-</u>	<u>-</u>	<u>(4,308,134)</u>
<u>110,400</u>	<u>1,500</u>	<u>(50)</u>	<u>(4,262,706)</u>
(128,800)	-	-	(2,933,854)
-	-	-	741,819
<u>(128,800)</u>	<u>-</u>	<u>-</u>	<u>(2,192,035)</u>
(827,905)	(34,614)	(6,997,573)	(12,411,219)
<u>314,693</u>	<u>10,968</u>	<u>1,218,289</u>	<u>1,963,917</u>
<u>(513,212)</u>	<u>(23,646)</u>	<u>(5,779,284)</u>	<u>(10,447,302)</u>
(615,449)	(126,536)	714,348	(910,551)
<u>1,421,540</u>	<u>161,873</u>	<u>10,085,014</u>	<u>15,446,241</u>
<u>\$ 806,091</u>	<u>\$ 35,337</u>	<u>\$ 10,799,362</u>	<u>\$ 14,535,690</u>
\$ (756,185)	\$ (268,125)	\$ 561,410	\$ 2,468,600
5,347	100,320	-	6,693,609
18,778	506	537,750	(158,248)
(44,255)	-	(68,071)	217,350
-	51,742	97,803	(74,706)
130,318	(246)	(88,731)	550,005
310,469	-	-	310,469
<u>251,691</u>	<u>11,413</u>	<u>5,453,521</u>	<u>5,984,413</u>
<u>(83,837)</u>	<u>(104,390)</u>	<u>6,493,682</u>	<u>15,991,492</u>
\$ 31,082	\$ 10,833	\$ -	\$ (15,711,992)
(136,160)	(6,114)	(702,087)	(1,098,664)
<u>\$ (105,078)</u>	<u>\$ 4,719</u>	<u>\$ (702,087)</u>	<u>\$ (16,810,656)</u>



## **City of St. Petersburg, Florida**

### **Fiduciary Funds**

Fiduciary Funds are used to account for funds held in trust by the City of St. Petersburg for the Employees Retirement Fund, Police Pension Fund and Fire Pension Fund or funds held in an agency capacity for others.

#### **Pension Funds**

Employees Retirement Fund - This fund is used to account for the activities of the City of St. Petersburg Employees Retirement Fund.

Police Pension Fund - This fund is used to account for the activities of the City of St. Petersburg Police Pension Fund.

Fire Pension Fund - This fund is used to account for the activities of the City of St. Petersburg Fire Pension Fund.

*The Combining Statement of Fiduciary Net Position - Pension Trust Funds and the Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds are located in the notes to the financial statements. See Note 18 - Employee Defined Benefit Pension Plans.*

#### **Agency Funds**

Payroll Treasury Agency Fund - This fund is used to account for the funds held in an agency capacity for payroll.

Other Treasury Agency Fund - This fund is used to account for the funds held in an agency capacity for various government units, individuals or funds.

**City of St. Petersburg, Florida**  
*Combining Statement of Fiduciary Net Position*  
*Agency Funds*  
*September 30, 2017*

	<u>Payroll Treasury Agency Fund</u>	<u>Other Treasury Agency Fund</u>	<u>Total</u>
<b>Assets</b>			
Accounts Receivable	\$ 5,800	\$ -	\$ 5,800
<b>Total Assets</b>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 5,800</u>
<b>Liabilities</b>			
Due to Other Entities and Individuals	5,800	-	5,800
<b>Total Liabilities</b>	<u>\$ 5,800</u>	<u>\$ -</u>	<u>\$ 5,800</u>

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*Fiscal Year Ended September 30, 2017*

**Payroll Treasury**

	Balance September 30, 2016	Additions	Deductions	Balance September 30, 2017
Assets				
Cash and Cash Equivalents	\$ 34,103	608,860,196	608,894,299	\$ -
Accounts Receivable	5,800	6,158	6,158	5,800
Total Assets	39,903	608,866,354	608,900,457	5,800
Liabilities				
Due to Other Entities and Individuals	39,903	408,637,421	408,671,524	5,800
Total Liabilities	\$ 39,903	408,637,421	408,671,524	\$ 5,800

**Other Treasury**

	Balance September 30, 2016	Additions	Deductions	Balance September 30, 2017
Assets				
Cash and Cash Equivalents	\$ -	4,436,347,590	4,436,347,590	\$ -
Pooled Equity in Investments	-	237,592,543	237,592,543	-
Accounts Receivable	-	47,435	47,435	-
Total Assets	-	4,673,987,568	4,673,987,568	-
Liabilities				
Due to Other Entities and Individuals	-	19,442,851	19,442,851	-
Total Liabilities	\$ -	19,442,851	19,442,851	\$ -

See accompanying Independent Auditor's Report





### **III. STATISTICAL SECTION**

**City of St. Petersburg, Florida**  
*Statistical Section*  
*For the Year Ended September 30, 2017*

The Statistical Section of the Comprehensive Annual Financial Report for the City of St. Petersburg is intended to provide financial statement users with additional historical perspective, context, and detail to assist in using information in the financial statements, notes to the financial statements, and required supplementary information to understand and assess the City's economic condition. This section includes statistics for the City (i.e., the primary government) only and does not include the City's discretely presented component unit.

The Statistical Section is unaudited and includes the following documents:

Financial Trends Information

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

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source: the property tax.

Debt Capacity Information

These schedules contain trend information to help the reader understand the City's outstanding debt, legal capacity information and related debt service coverage ratios.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. Statement users will find footnotes on the face of the schedules to assist in understanding trends.

# **FINANCIAL TRENDS INFORMATION**



**City of St. Petersburg, Florida**  
**Net Position By Component**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2017	2016	2015 (2)	2014 (2)	2013	2012 (1)	2011	2010	2009	2008
Governmental Activities										
Net investment in capital assets	\$ 338,458,935	\$ 345,467,808	\$ 345,425,116	\$ 329,454,431	\$ 315,093,031	\$ 338,624,957	\$ 383,738,567	\$ 317,722,669	\$ 486,163,709	\$ 462,033,885
Restricted	28,830,449	21,859,118	26,714,114	28,418,788	29,415,453	30,810,901	33,416,322	76,621,163	77,543,670	78,911,966
Unrestricted	193,210,387	191,826,966	162,890,064	132,519,821	156,549,002	147,593,223	101,165,653	140,355,385	146,956,415	146,123,014
Total Governmental Activities Net Position	560,499,771	559,153,892	535,029,294	490,393,040	501,057,486	517,029,081	518,320,542	534,699,217	710,663,794	687,068,865
Business-type Activities										
Net investment in capital assets	504,565,046	484,346,509	492,706,870	513,876,988	525,501,002	559,430,846	586,110,679	597,824,125	418,716,027	414,580,883
Restricted	14,750,889	19,662,021	32,940,948	62,724,650	78,431,454	59,285,133	74,999,653	37,812,908	5,681,189	770,058
Unrestricted	142,683,420	141,793,637	121,790,678	96,030,867	95,187,269	108,194,112	88,937,520	133,860,070	166,804,172	167,802,418
Total Business-type Activities Net Position	661,999,355	645,802,167	647,438,496	672,632,505	699,119,725	726,910,091	750,047,852	769,497,103	591,201,388	583,153,359
Primary Government										
Net investment in capital assets	843,023,981	829,814,317	838,131,986	843,331,419	840,594,033	898,055,803	969,849,246	915,546,794	904,879,736	876,614,768
Restricted	43,581,338	41,521,139	59,655,062	91,143,438	107,846,907	90,096,034	108,415,975	114,434,071	83,224,859	79,682,024
Unrestricted	335,893,807	333,620,603	284,680,742	228,550,688	251,736,271	255,787,335	190,103,173	274,215,455	313,760,587	313,925,432
Total Primary Government Net Position	\$ 1,222,499,126	\$ 1,204,956,059	\$ 1,182,467,790	\$ 1,163,025,545	\$ 1,200,177,211	\$ 1,243,939,172	\$ 1,268,368,394	\$ 1,304,196,320	\$ 1,301,865,182	\$ 1,270,222,224

(1) GASB's 62, 63 and 65 were implemented in fiscal year 2012 and changes have not been restated for fiscal years 2011 and prior.

(2) GASB's 68 and 71 were implemented in fiscal year 2015 and the fiscal year 2014 balances are restated here to reflect the implementation and related prior period adjustment.

**City of St. Petersburg, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2017	2016	2015 (2)	2014	2013	2012 (1)	2011	2010	2009	2008
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 41,180,855	\$ 39,401,295	\$ 39,348,806	\$ 31,433,231	\$ 27,592,059	\$ 27,484,912	\$ 39,973,559	\$ 38,178,164	\$ 39,635,505	\$ 39,875,230
Community and Economic Development	20,530,929	25,639,209	16,163,418	20,020,091	16,253,877	17,878,776	27,654,061	23,392,593	23,212,864	25,337,893
Police	114,930,124	100,589,020	89,420,272	95,704,280	94,712,113	93,275,050	96,398,855	91,135,117	90,646,089	91,691,477
Fire and EMS	43,254,689	41,949,594	39,758,629	49,215,924	46,543,810	47,472,803	49,592,465	47,954,869	48,384,025	47,643,841
Public Works, Streets and Facilities	31,828,229	21,319,804	30,981,025	28,294,856	34,157,385	33,931,921	25,077,637	16,208,520	21,501,313	21,884,510
Recreation, Culture and Social	54,966,996	58,126,018	51,208,250	54,790,800	47,822,871	52,601,786	46,604,748	44,972,705	61,884,711	61,549,149
Interest on Long-Term Debt	2,501,068	1,568,898	1,503,527	2,054,762	2,869,844	3,607,747	5,033,700	5,623,196	6,428,023	7,460,824
<b>Total Governmental Activities Expenses</b>	<b>309,192,890</b>	<b>288,593,838</b>	<b>268,383,927</b>	<b>281,513,944</b>	<b>269,951,959</b>	<b>276,252,995</b>	<b>290,335,025</b>	<b>267,465,164</b>	<b>291,692,530</b>	<b>295,442,924</b>
<b>Business-type Activities:</b>										
Water and Waste Water Utility	115,296,480	114,768,677	115,141,604	106,155,998	107,759,932	104,932,909	104,704,408	98,015,537	95,655,633	99,136,630
Stormwater Utility	15,786,948	16,258,907	15,736,861	15,541,418	14,699,179	14,890,554	13,542,653	14,062,820	13,638,448	14,169,266
Sanitation	41,660,758	40,640,667	45,406,933	39,090,760	36,899,176	37,460,953	38,102,702	37,707,634	36,910,607	38,062,985
Tropicana Field	6,277,185	6,293,282	6,456,480	8,225,945	7,116,475	7,088,308	6,820,058	6,358,385	-	-
Airport	1,546,366	1,541,559	1,760,427	1,703,550	1,419,949	1,072,295	1,417,940	1,294,662	1,388,716	1,221,822
Port	1,026,277	1,043,589	874,667	844,507	923,851	1,114,952	1,532,136	1,094,820	987,025	885,491
Marina	3,512,662	3,364,333	4,189,409	3,572,867	3,370,490	3,539,546	3,570,871	2,525,854	2,354,034	2,263,363
Golf Courses	3,777,731	3,841,861	3,591,614	3,863,244	3,967,520	4,038,963	4,145,599	3,852,204	4,250,100	4,287,233
Jamestown Complex	1,143,617	691,204	743,377	708,109	654,469	466,272	640,723	649,880	645,127	602,778
Parking	6,056,754	5,630,019	5,177,543	5,026,772	4,579,458	4,461,800	4,631,050	4,441,013	-	-
Mahaffey	2,448,161	6,011,641	6,325,812	5,617,106	5,677,990	5,675,106	5,594,814	5,318,367	-	-
Pier	22,944	(11,941)	358,444	446,579	4,836,102	5,756,027	5,488,667	3,317,370	-	-
Coliseum	868,837	860,631	904,524	923,664	875,880	918,823	1,005,036	952,007	-	-
Sunken Gardens	1,543,866	1,439,376	1,244,252	1,299,949	1,251,532	1,158,972	1,159,590	1,113,125	-	-
<b>Total Business-type Activities</b>	<b>200,968,586</b>	<b>202,373,805</b>	<b>207,911,947</b>	<b>193,020,468</b>	<b>194,032,003</b>	<b>192,575,480</b>	<b>192,356,107</b>	<b>180,703,678</b>	<b>155,829,690</b>	<b>160,629,568</b>
<b>Total Primary Government Expenses</b>	<b>510,161,476</b>	<b>490,967,643</b>	<b>476,295,874</b>	<b>474,534,412</b>	<b>463,983,962</b>	<b>468,828,475</b>	<b>482,691,132</b>	<b>448,168,842</b>	<b>447,522,220</b>	<b>456,072,492</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
<b>Charges for Services:</b>										
General Government	26,180,815	25,008,773	25,588,021	23,979,071	21,253,713	19,998,376	21,909,825	18,867,174	19,817,671	18,195,945
Community and Economic Development	10,890,299	10,716,968	9,965,943	8,985,354	7,974,763	6,698,963	5,064,441	4,746,494	4,754,650	5,032,048
Police	4,931,788	4,537,354	4,264,678	4,908,117	5,951,206	5,783,656	3,942,075	2,798,285	4,167,737	3,937,556
Fire and EMS	13,365,978	13,491,297	13,576,957	14,285,038	13,773,082	13,063,380	13,146,937	13,323,610	15,053,402	14,266,708
Public Works	1,086,202	905,723	1,085,615	1,481,064	1,287,717	730,562	262,034	611,424	5,812,897	4,254,239
Recreation and Culture	6,426,171	6,352,970	6,564,302	5,929,944	6,561,071	7,109,628	6,866,414	5,942,323	13,172,302	13,132,563
Operating Grants and Contributions	10,517,539	9,445,795	6,821,336	9,201,224	10,331,039	6,037,740	7,458,717	6,525,944	13,086,817	22,056,970
Capital Grants and Contributions	6,471,582	5,562,573	3,733,884	616,129	916,449	9,906,530	13,840,226	18,355,946	6,389,691	5,548,409
<b>Total Governmental Activities Program Revenues</b>	<b>79,870,374</b>	<b>76,021,453</b>	<b>71,600,736</b>	<b>69,385,941</b>	<b>68,049,040</b>	<b>69,328,835</b>	<b>72,490,669</b>	<b>71,171,200</b>	<b>82,255,167</b>	<b>86,424,458</b>
<b>Business-type Activities:</b>										
<b>Charges for Services:</b>										
Water and Waste Water Utility	122,493,193	116,323,253	111,051,865	106,737,684	101,885,017	101,175,434	95,754,184	89,685,100	90,109,001	91,344,531
Stormwater Utility	15,654,513	11,824,404	11,965,653	11,726,654	11,834,570	11,642,112	12,182,306	12,275,998	11,992,634	11,777,411
Sanitation	43,760,762	44,091,174	40,187,067	40,557,379	40,117,857	39,835,630	39,524,555	39,910,352	40,089,897	39,773,147
Tropicana Field	1,359,840	1,198,181	1,304,151	1,430,589	1,506,357	1,436,634	1,421,744	1,631,382	-	-
Airport	1,137,980	1,139,131	1,119,783	1,152,579	877,784	989,405	996,722	941,184	894,795	838,887
Port	88,260	133,899	43,928	105,162	57,875	206,372	185,026	182,920	189,581	156,747
Marina	3,783,870	3,753,431	3,769,189	3,747,555	3,433,502	3,351,961	3,253,788	2,765,619	2,760,434	2,720,224
Golf Courses	2,852,478	3,257,031	3,338,378	3,427,870	3,537,661	3,663,158	3,462,240	3,272,289	3,719,800	3,937,482
Jamestown Complex	583,266	469,030	465,173	486,373	453,737	388,540	526,014	503,500	510,024	442,585
Parking	7,637,068	7,613,755	6,951,993	6,162,463	6,246,572	5,671,961	4,919,124	4,508,906	-	-
Mahaffey	146,434	3,571,112	3,670,641	2,787,508	3,021,141	2,979,981	2,220,446	2,513,252	-	-
Pier	-	-	-	-	537,771	946,158	989,196	1,212,985	-	-
Coliseum	659,576	568,464	568,681	576,373	493,279	544,769	559,190	502,147	-	-
Sunken Gardens	1,354,252	1,120,215	893,863	809,863	761,578	761,578	647,923	605,338	-	-
Operating Grants and Contributions	3,529,778	2,689,792	1,277,263	1,971,091	1,660,484	1,294,996	669,447	1,464,498	1,324,016	1,415,362
Capital Grants and Contributions	1,563,014	4,805,151	4,386,636	5,705,904	2,890,584	3,668,781	7,343,376	5,547,370	12,866,193	2,851,376
<b>Total Business-type Activities Program Revenues</b>	<b>206,604,284</b>	<b>202,558,023</b>	<b>191,043,244</b>	<b>187,469,047</b>	<b>179,364,054</b>	<b>178,557,470</b>	<b>174,655,281</b>	<b>167,522,840</b>	<b>164,456,375</b>	<b>155,257,752</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 286,474,658</b>	<b>\$ 278,579,476</b>	<b>\$ 262,643,980</b>	<b>\$ 256,854,988</b>	<b>\$ 247,413,094</b>	<b>\$ 247,886,305</b>	<b>\$ 247,145,950</b>	<b>\$ 238,694,040</b>	<b>\$ 246,711,542</b>	<b>\$ 241,682,210</b>
<b>Net (Expense) Revenue</b>										
Government Activities	\$ (229,322,516)	\$ (212,572,385)	\$ (196,783,191)	\$ (212,128,003)	\$ (201,902,919)	\$ (206,924,160)	\$ (217,844,356)	\$ (196,293,964)	\$ (209,437,363)	\$ (209,018,466)
Business-type Activities	5,635,698	184,218	(16,868,703)	(5,551,421)	(14,667,949)	(14,018,010)	(17,700,826)	(13,180,838)	8,626,685	(5,371,816)
<b>Total Primary Government Program Revenues</b>	<b>\$ (223,686,818)</b>	<b>\$ (212,388,167)</b>	<b>\$ (213,651,894)</b>	<b>\$ (217,679,424)</b>	<b>\$ (216,570,868)</b>	<b>\$ (220,942,170)</b>	<b>\$ (235,545,182)</b>	<b>\$ (209,474,802)</b>	<b>\$ (200,810,678)</b>	<b>\$ (214,390,282)</b>

**City of St. Petersburg, Florida**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(Accrual Basis of Accounting)**

	2017	2016	2015 (2)	2014	2013	2012 (1)	2011	2010	2009	2008
General Revenues and Other Changes in Net Position										
Government Activities:										
Taxes (3)										
Property Tax, Levied for general purposes	\$ 104,481,680	\$ 96,259,446	\$ 88,648,292	\$ 82,225,247	\$ 79,021,993	\$ 70,322,445	\$ 75,037,770	\$ 83,484,249	\$ 95,140,129	\$ 101,569,442
Public Service Tax	27,645,800	27,599,020	26,774,215	27,309,432	25,755,347	24,384,936	25,400,972	26,612,169	23,353,192	22,446,269
Occupational Tax	2,500,872	2,461,341	2,465,739	2,393,845	1,920,732	2,409,291	2,407,083	2,405,903	2,596,245	2,950,446
Franchise Tax	18,852,631	19,048,846	20,232,851	20,156,734	18,836,152	19,660,729	20,506,108	22,159,989	21,014,619	18,922,607
Intergovernmental										
Communication Services Tax	9,620,042	9,729,360	10,318,666	11,005,466	11,493,181	11,956,587	12,802,642	12,795,240	14,085,313	16,190,432
Sales Tax	18,172,690	17,863,512	17,092,404	16,553,518	15,408,015	14,975,121	13,923,372	13,870,492	14,043,313	15,293,018
Local Option Sales Surtax	25,257,535	24,571,993	23,435,705	21,813,267	20,427,624	18,994,866	18,610,075	18,847,964	20,829,319	22,838,462
State Tax Revenue Sharing (unrestricted)	9,661,911	8,540,928	8,663,170	8,210,074	7,861,360	7,521,597	7,463,366	7,433,838	7,418,031	8,397,333
Tourist Development Tax	-	-	7,848,164	6,853,977	5,932,587	5,864,763	4,977,610	4,502,390	4,691,881	5,068,347
Tax Increment	6,223,820	5,127,215	4,879,693	4,203,175	3,575,584	3,423,906	3,779,258	3,986,213	4,535,832	4,139,159
Gasoline Tax	3,544,665	3,514,565	3,406,675	3,382,161	3,215,565	3,235,960	3,173,633	3,274,266	3,510,104	3,553,451
Miscellaneous Taxes	734,050	671,296	538,399	595,971	579,702	638,497	421,329	498,733	514,170	219,076
Earnings on Unrestricted Investments	5,603,689	8,768,947	5,333,206	6,401,114	1,730,780	6,312,386	4,061,012	7,817,651	10,601,682	6,719,628
Unrealized Loss on Securities Lending	-	-	-	-	-	-	-	-	-	(7,379,813)
Gain (Loss) on Sale of Capital Assets	854,912	946,626	906,248	393,161	1,718,115	387,657	315,113	(4,252,521)	291,919	179,223
Special item - loss on change in capitalization threshold	-	-	-	-	(27,002,920)	-	-	-	-	-
Miscellaneous Income	942,413	1,786,245	9,294,246	1,790,240	6,792,592	5,499,021	1,746,660	2,177,947	549,947	2,553,459
Transfers	(3,428,315)	9,807,643	11,581,772	14,465,480	8,664,915	7,545,359	6,839,678	4,145,418	9,856,596	6,256,701
Total Governmental Activities	230,668,395	236,696,983	241,419,445	227,752,862	185,931,324	203,133,121	201,465,681	209,759,941	233,032,292	229,917,240
Business-type Activities:										
Earnings on Unrestricted Investments	6,423,501	7,322,148	2,334,909	2,196,891	1,717,562	4,360,754	3,294,385	6,378,443	8,471,940	9,429,294
Unrealized Loss on Securities Lending	-	-	-	-	-	-	-	-	-	(6,925,399)
Gain (Loss) on Sale of Capital Assets	202,994	24,529	122,310	194,469	362,819	45,629	457,340	(612,929)	506,090	427,025
Special item - loss on change in capitalization threshold	-	-	-	-	(9,841,305)	-	-	-	-	-
Miscellaneous Income	506,680	640,419	799,247	811,476	3,303,422	1,073,881	1,339,528	425,903	299,910	362,604
Transfers	3,428,315	(9,807,643)	(11,581,772)	(14,465,480)	(8,664,915)	(7,545,359)	(6,839,678)	(4,145,418)	(9,856,596)	(6,256,701)
Total Business-type Activities	10,561,490	(1,820,547)	(8,325,306)	(11,262,644)	(13,122,417)	(2,065,095)	(1,748,425)	2,045,999	(578,656)	(2,963,177)
Total Primary Government	\$ 241,229,885	\$ 234,876,436	\$ 233,094,139	\$ 216,490,218	\$ 172,808,907	\$ 198,338,513	\$ 199,717,256	\$ 211,805,940	\$ 232,453,636	\$ 226,954,063
Change in Net Position										
Governmental Activities	\$ 1,345,879	\$ 24,124,598	\$ 44,636,254	\$ 15,624,859	\$ (15,971,595)	\$ (3,791,039)	\$ (16,378,675)	\$ 13,465,977	\$ 23,594,929	\$ 20,898,774
Business-type Activities	16,197,188	(1,636,329)	(25,194,009)	(16,814,065)	(27,790,366)	(16,083,105)	(19,449,251)	(11,134,839)	8,048,029	(8,334,993)
Total Primary Government	\$ 17,543,067	\$ 22,488,269	\$ 19,442,245	\$ (1,189,206)	\$ (43,761,961)	\$ (19,874,144)	\$ (35,827,926)	\$ 2,331,138	\$ 31,642,958	\$ 12,563,781

(1) GASB's 62, 63 and 65 were implemented in fiscal year 2012 and changes have not been restated for fiscal years 2011 and prior.

(2) GASB's 68 and 71 were implemented in fiscal year 2015.

**City of St. Petersburg, Florida**  
**Fund Balances, Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2017	2016	2015	2014	2013	2012	2011	2010 (1)	2009	2008
General Fund										
Non-Spendable	\$ 9,042,585	\$ 4,612,904	\$ 3,734,959	\$ 4,176,612	\$ 4,767,840	\$ 4,111,920	38,252	\$ 63,585	\$ -	\$ -
Committed	32,104,733	29,614,754	27,768,624	26,174,290	25,065,024	26,346,101	25,192,252	28,889,692	-	-
Assigned	-	-	-	-	-	-	-	637,073	-	-
Unassigned	23,154,218	28,187,000	29,180,220	20,045,611	10,197,562	7,891,145	20,061,954	23,849,003	-	-
Reserved	-	-	-	-	-	-	-	-	726,875	601,991
Unreserved	-	-	-	-	-	-	-	-	42,629,314	38,569,059
Total Governmental Activities Fund Balance	<u>64,301,536</u>	<u>62,414,658</u>	<u>60,683,803</u>	<u>50,396,513</u>	<u>40,030,426</u>	<u>38,349,166</u>	<u>45,292,458</u>	<u>53,439,353</u>	<u>43,356,189</u>	<u>39,171,050</u>
All Other Governmental Funds										
Non-Spendable	\$ 503,700	\$ 433,883	\$ 387,311	\$ 395,569	\$ 385,698	\$ 374,190	\$ 10,061,295	\$ 353,792	\$ -	\$ -
Restricted	229,731,689	160,736,128	97,469,715	93,431,776	81,630,216	72,439,841	62,821,368	75,600,147	-	-
Committed	15,757,308	15,489,334	17,531,749	14,527,242	14,762,863	11,345,489	11,527,129	16,871,883	-	-
Assigned	21,566,107	26,317,966	18,169,917	19,625,106	20,911,313	23,197,031	24,023,804	18,848,659	-	-
Unassigned	-	-	-	-	(21,667)	(344,463)	-	-	-	-
Reserved, Reported In:										
All Other Governmental Funds	-	-	-	-	-	-	-	-	18,927,131	9,128,393
Debt Service Funds	-	-	-	-	-	-	-	-	-	20,713,149
Unreserved, Reported In:										
Special Revenue Funds	-	-	-	-	-	-	-	-	59,568,462	62,201,246
Capital Projects Funds	-	-	-	-	-	-	-	-	56,805,379	55,876,096
Total of All Other Governmental Funds	<u>\$ 267,558,804</u>	<u>\$ 202,977,311</u>	<u>\$ 133,558,692</u>	<u>\$ 127,979,693</u>	<u>\$ 117,668,423</u>	<u>\$ 107,012,091</u>	<u>\$ 108,433,596</u>	<u>\$ 111,674,481</u>	<u>\$ 135,300,972</u>	<u>\$ 147,918,884</u>

(1) GASB 54 was implemented in 2010 and reflects new fund balance classifications for 2010. The new classifications have not been restated for 2009 and prior.



**City of St. Petersburg, Florida**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>REVENUES</b>										
Taxes	\$ 125,835,183	\$ 117,769,633	\$ 111,346,882	\$ 104,775,826	\$ 100,304,976	\$ 92,519,177	\$ 98,255,072	\$ 108,354,252	\$ 119,946,229	\$ 121,512,325
Public Service Tax (6)	27,645,800	27,599,020	26,774,215	27,309,432	25,755,347	24,384,936	25,400,972	26,612,169	23,353,192	22,446,269
Licenses and Permits	6,819,973	6,668,289	5,764,730	5,173,123	4,959,026	3,847,454	3,278,469	3,170,105	3,020,012	3,104,501
Fines and Forfeitures	3,589,139	3,654,468	4,199,481	3,793,324	4,411,977	4,035,054	1,937,642	2,520,494	3,395,352	3,067,070
Charges for Services and User Fees	26,843,588	25,702,120	25,278,000	25,267,284	24,003,940	23,455,886	23,276,204	20,135,780	33,164,416	31,072,698
Charges for General Administration	7,052,832	6,914,592	9,384,636	9,412,752	9,306,064	9,306,012	9,403,380	8,724,084	8,809,572	7,668,000
Intergovernmental Revenue										
Federal, State and Other Grants	11,760,247	10,221,150	10,478,002	9,780,135	11,247,925	15,907,052	20,260,984	24,311,766	16,688,588	24,975,131
State - Sales Tax	18,172,690	17,863,512	17,092,404	16,553,518	15,408,015	14,975,121	14,347,797	13,870,492	14,043,313	15,293,018
State - Revenue Sharing	10,074,186	8,940,196	9,018,877	8,555,369	8,179,856	7,521,597	7,463,366	7,433,838	7,418,031	8,397,333
State - Communication Services Tax	9,620,042	9,729,360	10,318,666	11,005,466	11,493,181	11,956,587	12,802,642	12,795,240	14,085,313	16,190,432
State - Housing Improvement Program	-	-	-	-	-	-	-	-	2,113,444	1,956,626
State - Other (1)	688,572	634,293	538,399	595,971	579,702	638,497	421,329	498,733	514,170	412,748
Pinellas County - Gasoline Tax	3,544,665	3,514,565	3,406,675	3,382,161	3,215,565	3,235,960	3,173,633	3,274,266	3,510,104	3,359,779
Pinellas County - Sales Tax	25,257,535	24,571,993	23,435,705	21,813,267	20,427,624	18,994,866	18,185,650	18,847,964	20,829,319	22,838,462
Pinellas County - Tourist Development	-	-	7,848,164	6,853,977	5,932,587	5,864,763	4,977,610	4,502,390	4,691,881	5,068,347
Pinellas County - Tax Increment	6,223,820	5,127,215	4,879,693	4,203,175	3,575,584	3,423,906	3,779,258	3,986,213	4,535,832	4,139,159
Pinellas County - Pedestrian Improvement Program	-	-	-	-	-	-	-	-	-	35,017
Pinellas County - Other	4,452,578	4,750,000	-	-	-	-	-	-	-	-
Total	89,794,335	85,352,284	87,016,585	82,743,039	80,060,039	82,518,349	85,412,269	89,520,902	88,429,995	102,666,052
Use of Money and Property										
Earnings on Investments	4,738,478	6,095,818	3,769,083	5,196,708	2,304,239	4,834,660	1,379,053	5,342,106	6,849,689	2,229,862
Other Interest Revenue (2)	-	-	-	-	-	-	-	-	-	-
Securities Lending	-	-	-	-	-	-	-	-	-	1,690,777
Securities Lending Unrealized Loss	-	-	-	-	-	-	-	-	-	(5,082,715)
Interest on Assessments	-	-	-	-	-	-	-	-	-	26,393
Rentals	800,935	649,838	614,453	526,352	432,751	411,250	400,759	358,830	2,920,852	3,064,408
Total	5,539,413	6,745,656	4,383,536	5,723,060	2,736,990	5,245,910	1,779,812	5,700,936	9,770,541	1,928,725
Miscellaneous										
Contributions	741,131	358,851	386,981	381,858	509,020	477,021	573,839	410,630	637,117	638,606
Assessments	927,588	1,109,677	465,516	1,999,997	1,059,024	605,383	500,686	615,887	190,434	347,144
Dispositions of Property	184,281	695,909	747,008	920,034	815,902	502,051	994,221	184,054	193,110	349,319
Settlement Revenues	13,389	-	8,000,000	-	3,997,159	-	-	-	-	-
Other (3)	1,410,821	1,545,699	1,249,277	1,416,031	3,015,734	1,108,970	1,007,961	1,284,992	1,763,629	2,523,788
Total	3,277,210	3,710,136	10,848,782	4,717,920	9,396,839	2,693,425	3,076,707	2,495,563	2,784,290	3,858,857
<b>TOTAL REVENUES</b>	<b>296,397,473</b>	<b>284,116,198</b>	<b>284,996,847</b>	<b>268,915,760</b>	<b>260,935,198</b>	<b>248,006,203</b>	<b>251,820,527</b>	<b>267,234,285</b>	<b>292,673,599</b>	<b>297,324,497</b>
<b>EXPENDITURES</b>										
Current Operations										
General Government	23,268,099	21,473,235	23,154,373	16,058,051	13,880,892	14,672,753	15,415,127	25,080,033	26,426,476	25,084,845
Community and Economic Development	17,384,870	14,039,942	14,912,692	17,292,165	14,464,853	15,026,177	17,999,906	28,008,570	24,238,780	22,973,120
Public Works	11,036,522	10,683,589	10,145,310	11,078,333	28,938,443	22,168,371	21,731,956	7,796,719	11,028,172	13,548,520
Public Safety										
Police	105,528,893	99,772,940	93,640,691	90,914,374	91,234,377	88,866,403	88,392,589	86,082,228	85,362,695	86,025,521
Fire and EMS	44,323,468	44,341,874	44,480,137	44,942,714	44,329,900	44,246,454	44,445,246	44,496,378	44,734,932	44,336,345
Recreation, Culture and Social	48,398,807	46,813,999	44,185,356	44,713,043	44,580,867	42,767,519	48,102,411	37,137,303	48,138,462	47,854,805
Securities Lending										
Interest	-	-	-	-	-	-	-	-	-	1,547,237
Agent Fees	-	-	-	-	-	-	-	-	-	52,156
Debt Service										
Principal Payments (5)	5,242,000	14,176,000	14,070,000	31,853,000	11,938,000	38,675,000	15,831,000	17,766,000	18,396,000	46,015,000
Interest Payments (5)	2,692,537	1,087,111	1,543,967	2,968,306	3,220,917	4,066,808	5,078,422	5,908,465	6,581,709	7,084,571
Remarketing and Other Fees	148,888	618,555	9,530	56,059	10,184	62,259	49,478	9,792	18,610	72,269
Bond Costs	-	-	-	-	-	-	-	-	-	45,123
Capital Outlay (4)	45,663,755	38,229,051	38,242,445	26,713,335	9,723,610	18,980,589	25,123,339	33,543,128	39,466,363	42,092,824
<b>TOTAL EXPENDITURES</b>	<b>303,687,839</b>	<b>291,236,296</b>	<b>284,384,501</b>	<b>286,589,380</b>	<b>262,322,043</b>	<b>289,532,333</b>	<b>282,169,474</b>	<b>285,828,616</b>	<b>304,392,199</b>	<b>336,732,336</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(7,290,366)</b>	<b>(7,120,098)</b>	<b>612,346</b>	<b>(17,673,620)</b>	<b>(1,386,845)</b>	<b>(41,526,130)</b>	<b>(30,348,947)</b>	<b>(18,594,331)</b>	<b>(11,718,600)</b>	<b>(39,407,839)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	91,266,104	105,614,551	39,739,900	41,792,708	33,390,956	64,147,101	49,047,267	58,561,938	157,436,302	159,788,626
Transfers Out	(72,687,369)	(87,990,576)	(24,485,957)	(19,781,731)	(19,666,519)	(52,507,768)	(37,563,167)	(50,273,848)	(145,154,910)	(143,640,576)
Loan Proceeds	-	-	-	-	-	-	-	-	-	23,856,000
Issuance of Debt	55,180,000	56,205,000	-	16,340,000	-	21,522,000	4,520,000	-	-	-
Premium	-	4,440,597	-	-	-	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>73,758,735</b>	<b>78,269,572</b>	<b>15,253,943</b>	<b>38,350,977</b>	<b>13,724,437</b>	<b>33,161,333</b>	<b>16,004,100</b>	<b>8,288,090</b>	<b>12,281,392</b>	<b>40,004,050</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ 66,468,369</b>	<b>\$ 71,149,474</b>	<b>\$ 15,866,289</b>	<b>\$ 20,677,357</b>	<b>\$ 12,337,592</b>	<b>\$ (8,364,797)</b>	<b>\$ (14,344,847)</b>	<b>(10,306,241)</b>	<b>\$ 562,792</b>	<b>\$ 596,211</b>
Debt Services as % of Non-capital Expenditures (4)	2.96%	5.94%	6.01%	12.81%	6.11%	15.66%	7.96%	9.35%	9.44%	20.85%

(1) State-other revenue includes State shared revenue for alcoholic beverage tax, cigarette tax, fire fighter's supplemental comp. tax, fuel tax rebates, mobile home tax, and state aid to cities.

(2) Other interest revenue includes miscellaneous earnings on other investments

(3) Other revenue includes parks and recreation other service charges, other prior year recoveries, short and over revenue, other licenses and permits, other capital recovery, other transportation service revenue and other miscellaneous revenues of minor dollar amounts.

(4) Debt service as a percent of Noncapital expenditures is calculated by dividing debt service by total expenditures net of capital outlay reported in the reconciliation on Page 58 of the CAFR.

(5) Includes refunding payments on all Sunshine State Government Finance Commission notes of \$21.9 million in 2008, refunding payments on the Bank of America 2008A Non-Ad Valorem Revenue Note of \$21.5M in 2012, and refunding payments on the Professional SportsFacility Sales Tax Refunding Revenue Bond Series 2003 of \$17,170,000 in 2014.

(6) In 2015 the City broke out the Public Service Tax for all years from the previous financial statement line "Taxes".



# **REVENUE CAPACITY INFORMATION**

**City of St. Petersburg, Florida**  
**Taxable Assessed Value and Estimated Actual Value of Property <sup>(1)</sup>**  
**Last Ten Fiscal Years**  
**(In Thousands)**

Fiscal Year	Tax Year	Residential Property	Commercial Property	Industrial Property	Non Agricultural Property	Institutional Property	Government Property	Mobile Home Property	Other Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value (3)
2007-08	2007	20,393,461	3,059,415	525,455	1,859	973,415	1,632,279	69,259	220,502	10,331,656	16,543,988	5.91	19,463,515
2008-09	2008	18,782,403	3,133,542	574,514	1,791	993,442	1,702,431	60,612	218,278	10,009,077	15,457,936	5.91	18,185,807
2009-10	2009	15,156,061	3,163,397	535,144	6,257	1,082,935	1,120,945	50,388	195,115	7,898,324	13,411,918	5.91	15,778,727
2010-11	2010	12,917,788	2,754,488	472,884	5,837	1,134,502	1,013,896	50,474	185,215	6,589,005	11,946,078	5.91	14,054,209
2011-12	2011	11,787,282	2,601,792	429,076	4,779	1,106,711	966,869	48,291	140,285	5,930,993	11,154,092	5.91	13,122,461
2012-13	2012	12,337,191	2,629,033	408,480	2,512	1,093,360	968,441	51,916	149,419	6,154,429	11,485,921	6.77	13,512,848
2013-14	2013	12,404,692	2,648,293	414,555	2,512	1,097,747	972,954	45,855	156,042	6,213,482	11,529,169	6.77	13,563,728
2014-15	2014	14,088,686	2,740,462	436,846	2,512	1,208,183	985,209	49,227	171,162	7,200,310	13,612,278	6.77	14,684,679
2015-16	2015	16,288,810	2,877,275	461,876	2,512	1,239,358	1,009,782	54,463	179,195	8,500,993	13,612,277	6.77	16,014,444
2016-17	2016	18,221,182	3,074,151	491,971	2,488	1,225,763	1,031,482	54,678	185,962	9,459,597	14,828,080	6.755	17,444,800

(1) Pinellas County Property Appraiser

(2) Includes leasehold interest, miscellaneous and centrally assessed

(3) Estimated actual value is calculated by dividing the total taxable assessed value by .85 (this value is net of exemptions)

*Additional information concerning property taxed is presented in the Notes to the Financial Statements and includes Calendar of Property Tax Events, Tax Collections, and Tax Limitations.*

**City of St. Petersburg, Florida**  
**Direct and Overlapping Property Tax Rates <sup>(1)</sup>**  
**Last Ten Fiscal Years**  
**In Mills, Per \$1,000 of Assessed Value**

City Of St.Petersburg Direct Rates			Overlapping Rates <sup>(2)</sup>				
General			Pinellas County				
Fiscal Year	Basic Rate	Total Direct Rate	County Board Rate	School Board Rate	EMS Rate	Others Districts Rate <sup>(3)</sup>	Suncoast Transit Authority Rate
2007-08	5.9125	5.9125	4.8730	7.7310	0.5832	1.5121	0.5601
2008-09	5.9125	5.9125	4.8730	8.0610	0.5832	1.5551	0.5601
2009-10	5.9125	5.9125	4.8730	8.3460	0.8506	1.5106	0.5601
2010-11	5.9125	5.9125	4.8730	8.3400	0.5832	1.4410	0.5601
2011-12	5.9125	5.9125	4.8730	8.3850	0.8506	1.2390	0.7305
2012-13	6.7742	6.7742	5.0727	8.3020	0.9158	1.3034	0.7305
2013-14	6.7700	6.7700	5.3377	8.0600	0.9158	1.2959	0.7305
2014-15	6.7700	6.7700	5.3377	7.8410	0.9158	1.2799	0.7305
2015-16	6.7700	6.7700	5.3377	7.7700	0.9158	1.2629	0.7305
2016-17	6.7550	6.7550	5.3377	7.3180	0.9158	1.2448	0.7500

(1) Pinellas County Tax Collector

(2) Overlapping rates are those of local and county governments that apply to property owners within the City of St. Petersburg.

(3) Other districts include Pinellas County Planning Council, Juvenile Welfare Board and Southwest Florida Water Management District.

**City of St. Petersburg, Florida**  
Principal Property Tax Payers  
*Fiscal Year Ended September 30, 2017 and 2008*

2017					2008				
Principal Taxpayer	Business Type	Taxable Value	Rank	Percentage of Total Value (1)	Principal Taxpayer	Business Type	Taxable Value	Rank	Percentage of Total Value (2)
Duke Energy	Utility - Power	\$ 197,960,089	1	1.24 %	Progress Energy Florida	Utility - Power	\$ 156,231,430	1	0.88 %
De Bartolo Capital	Retail Mall	125,000,000	2	0.79 %	De Bartolo Capital	Retail Mall	117,800,000	3	0.66 %
Raymond James	Investments	116,886,705	3	0.73 %	Raymond James	Investments	144,467,640	2	0.82 %
Bayfront Health	Healthcare	87,287,205	4	0.55 %	(3)				
Beacon 430 G E N1814 LLC	Real Estate	71,000,000	5	0.45 %	(3)				
T G M Bay Isle LLC	Real Estate	64,987,010	6	0.41 %	(3)				
Franklin Templeton	Investments	53,000,000	7	0.33 %	Franklin Templeton	Investments	79,107,570	7	0.45 %
Vinoy Hotel	Hotel	50,511,450	8	0.32 %	(3)				
M F R E V II-Fushion LLC	Real Estate	49,300,000	9	0.31 %	(3)				
Bayway Apartments LLC	Real Estate	49,000,000	10	0.31 %	(3)				
					Verizon Florida	Utility-Telephone	94,852,570	4	0.54 %
					Prospect-Marathon Coquina	Real Estate	91,797,800	5	0.52 %
					Times Publishing	News Media	85,745,830	6	0.48 %
					McRae & Stolz	Real Estate	78,188,700	8	0.44 %
					K P Holding	Real Estate	64,907,700	9	0.37 %
					Knickerbocker Property	Real Estate	54,500,000	10	0.31 %
	TOTAL	\$ 864,932,459		5.44 %		TOTAL	\$ 967,599,240		5.47 %

(1) Pinellas County Property Appraiser: Total taxable value for 2017 is \$15,906,451,780.

(2) Pinellas County Property Appraiser: Total taxable value for 2008 is \$17,718,466,042.

(3) Not in the top 10 tax payers in fiscal year 2008.

**City of St. Petersburg, Florida**  
**Property Tax Levies and Collections <sup>(1)</sup>**  
**Last Ten Fiscal Years**

Fiscal Year	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Collections (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy (2)
2007-08	\$ 104,760,430	\$ 100,812,274	96.23	\$ 730,374	\$ 101,542,648	96.93
2008-09	98,287,212	94,785,536	96.43	431,472	95,217,008	96.88
2009-10	86,088,634	83,109,215	96.54	472,575	83,581,790	97.09
2010-11	77,259,092	74,570,330	96.52	636,929	75,207,259	97.34
2011-12	72,255,376	69,351,677	95.98	1,325,698	70,677,375	97.82
2012-13	81,749,936	78,779,223	96.37	289,633	79,068,856	96.72
2013-14	84,995,039	81,910,562	96.37	318,529	82,229,091	96.75
2014-15	91,706,371	88,387,819	96.38	225,965	88,613,784	96.63
2015-16	99,433,431	95,949,763	96.50	60,081	96,009,844	96.56
2016-17	107,448,133	103,700,661	96.51	-	103,700,661	96.51

(1) Pinellas County Property Appraiser

(2) Prior to fiscal year 2013 the delinquent taxes collected by the original tax year levied data was not available. As such all delinquent tax collections received during the year were applied to the year prior to collection, regardless of the year in which the taxes were originally levied. Fiscal years 2013 to 2015 delinquent tax collections have been applied to the year in which they were originally levied. Consequently, the Percentage of Levy in Total Collections to Date may be greater than 100% for years prior to fiscal year 2013.





# **DEBT CAPACITY INFORMATION**

**City of St. Petersburg, Florida**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years (5)**

GOVERNMENTAL ACTIVITIES								
Fiscal Year	General Non-ad Valorem Notes	Public Improvement Revenue Bonds	Utility Tax Revenue Bonds	Pro Sports Facility Revenue Bonds	Excise Tax Revenue Bonds	Public Service Tax Revenue Bonds	Capital Improvement Revenue Bonds	Unamortized Premiums and Discounts
2008	\$ 39,946,000	\$ 24,077,211	\$ 5,250,000	\$ 23,410,000	\$ 54,825,000	\$ -	\$ 2,455,000	\$ 2,901,608
2009	38,855,000	18,665,000	2,690,000	22,435,000	49,040,000	-	-	2,292,558
2010	36,729,000	12,770,000	-	21,445,000	42,975,000	-	-	1,739,066
2011	39,033,000	6,540,000	-	20,425,000	36,610,000	-	-	1,251,536
2012	36,155,000	-	-	19,375,000	29,925,000	-	-	833,544
2013	32,332,000	-	-	18,290,000	22,895,000	-	-	492,692
2014	26,159,000	-	-	16,340,000	15,505,000	-	-	233,476
2015	19,859,000	-	-	16,340,000	7,735,000	-	-	88,431
2016	13,418,000	-	-	16,340,000	-	56,205,000	-	(4,440,597)
2017	65,251,000	-	-	14,845,000	-	55,805,000	-	(3,967,721)

BUSINESS-TYPE ACTIVITIES							
Fiscal Year	Public Utility Revenue Bonds and Notes	Sanitation Revenue Note	Airport Revenue Bonds and Notes	Golf Course Revenue Bonds and Capitalized Lease	Marina Revenue Notes	Unamortized Premiums and Discounts	Total Primary Government
2008	\$ 196,765,602	\$ -	\$ 3,635,612	\$ 56,059	\$ 7,055,000	\$ (19,044)	\$ 360,358,048
2009	244,253,250	-	1,655,612	4,390	6,665,000	1,502,462	388,058,272
2010	239,485,075	-	-	-	6,260,000	1,308,784	362,711,925
2011	283,404,789	-	-	162,153	5,840,000	1,185,744	394,452,222
2012	282,603,489	-	-	116,021	5,405,000	922,161	375,335,215
2013	320,529,123	-	-	68,803	4,950,000	3,222,219	402,779,837
2014	339,033,525	-	-	20,472	4,480,000	3,583,617	405,355,090
2015	365,037,069	6,075,000	-	-	3,990,000	7,075,265	426,199,765
2016	390,865,623	4,880,000	-	-	3,485,000	7,420,391	488,173,417
2017	448,434,158	3,650,000	-	-	5,540,000	13,874,861	603,432,297

Fiscal Year	Percentage of Total Taxable Assessed Value (1)	Per Capita	Property Tax Value (2)	Permanent Population (3)	Personal Income (thousands of dollars) (3)	Debt Per Income (4)
2008	0.0203	\$ 1,433.07	17,718,466,042	251,459	\$ 6,047,640	5.96
2009	0.0233	1,560.16	16,623,629,970	248,729	6,816,447	5.69
2010	0.0249	1,472.18	14,560,445,457	246,378	6,218,154	5.83
2011	0.0302	1,611.53	13,067,079,244	244,769	6,341,838	6.22
2012	0.0307	1,523.94	12,220,784,811	246,293	6,748,428	5.56
2013	0.0334	1,641.57	12,067,827,749	245,363	6,946,717	5.74
2014	0.0336	1,643.50	12,554,657,072	246,642	6,899,070	5.88
2015	0.0315	1,715.58	13,545,991,135	248,429	7,122,459	5.98
2016	0.0332	1,947.14	14,687,359,238	250,713	7,256,637	6.73
2017	0.0379	2,379.61	15,906,451,780	253,585	7,659,789	7.88

- (1) Total primary government outstanding debt divided by property tax value  
(2) Pinellas County Property Appraiser  
(3) US Census Bureau; per capita personal income multiplied by population  
(4) Total primary government outstanding debt divided by personal income  
(5) Deferred amount on refunding was removed from all years of the schedule in fiscal year 2015.

**City of St. Petersburg, Florida**  
*Ratio of Net General Bonded Debt Outstanding*  
*Last Ten Fiscal Years*

GENERAL BONDED DEBT OUTSTANDING

Fiscal Year	General Obligation Bonds	Restricted to Repay Principal (1)	Net General Obligation Bonds	Percentage of Total Taxable Property Value	Property Tax Value (2)
2008	-	-	-	-	\$ 17,718,466,042
2009	-	-	-	-	16,623,629,970
2010	-	-	-	-	14,560,445,457
2011	-	-	-	-	13,067,079,244
2012	-	-	-	-	12,220,784,811
2013	-	-	-	-	12,067,827,749
2014	-	-	-	-	12,554,657,072
2015	-	-	-	-	13,545,991,135
2016	-	-	-	-	14,687,359,238
2017	-	-	-	-	15,906,451,780

(1) Represents all funds held by Debt Service Funds less the amount provided for the payment of interest.

(2) Pinellas County Property Appraiser

**City of St. Petersburg, Florida**  
*Direct and Overlapping Governmental Activities Debt*  
*As of September 30, 2017*

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Pinellas County School Board	\$ 13,200,092	26.99%	\$ 3,553,465
Pinellas County	9,456,613	26.99%	2,545,720
Subtotal, Overlapping Debt			6,099,185
City Direct Debt (3)			<u>139,869,000</u>
Total Direct and Overlapping Debt			\$ <u><u>145,968,185</u></u>

(1) Pinellas County School Board Annual Financial Report for the year ended June 30, 2017; Pinellas County Fiscal Year 2017 CAFR.

(2) Overlap percentage is calculated as the total population for the City of St. Petersburg (253,585) divided by total population for Pinellas County (939,548). US Census Bureau.

(3) Total governmental activities bonds and notes payable net of unamortized premiums/discounts, See footnote 12 "Long-Term Obligations".

**City of St. Petersburg, Florida**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

Legal Debt Margin Calculation for Fiscal Year 2017

Taxable Assessed Value - January 1, 2016 (1)	\$ 15,906,451,780
Debt Limit - Percentage of Taxable Assess Value (2)	<u>0.125</u>
Legal Limitation for the Issuance of General Obligation Bonds	<u>1,988,306,473</u>
Amount of Debt Applicable to Debt Limit	-
Legal Debt Margin	<u>1,988,306,473</u>

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 2,214,808,255	\$ 2,077,953,746	\$ 1,820,055,682	\$ 1,633,384,906	\$ 1,527,598,101	\$ 1,508,478,469	\$ 1,569,332,134	\$ 1,693,248,892	\$ 1,835,919,905	\$ 1,988,306,473
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$ 2,214,808,255</u>	<u>\$ 2,077,953,746</u>	<u>\$ 1,820,055,682</u>	<u>\$ 1,633,384,906</u>	<u>\$ 1,527,598,101</u>	<u>\$ 1,508,478,469</u>	<u>\$ 1,569,332,134</u>	<u>\$ 1,693,248,892</u>	<u>\$ 1,835,919,905</u>	<u>\$ 1,988,306,473</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

(1) Pinellas County Property Appraiser

(2) City Code

**City of St. Petersburg, Florida**  
**Pledged-Revenue Coverage (1)**  
**Last Five Fiscal Years**

Fiscal Year	Professional Sports Facility Sales Tax Bonds, Series 2003 (Refunded) (2) (3)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2013	\$ 2,000,237	\$ 1,085,000	\$ 825,538	1.05
2014	2,000,143	1,120,000	786,950	1.05
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-

Fiscal Year	Professional Sports Facility Sales Tax Bonds, Series 2014 (2) (3)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2013	\$ -	\$ -	\$ -	-
2014	-	-	-	-
2015	2,000,004	-	286,495	6.98
2016	2,000,004	-	429,742	4.65
2017	2,000,004	1,495,000	410,083	10.50

Fiscal Year	Excise Tax Revenue Bonds (2) (4)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2013	\$ 22,492,452	\$ 7,030,000	\$ 1,336,858	2.69
2014	24,533,313	7,390,000	965,543	2.94
2015	26,066,386	7,770,000	581,000	3.29
2016	18,989,330	7,735,000	193,374	2.40
2017	-	-	-	-

Fiscal Year	Public Service Tax Revenue Bonds, Series 2016A and 2016B			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2013	\$ 25,755,347	\$ -	\$ -	N/A
2014	27,309,432	-	-	N/A
2015	26,774,215	-	-	N/A
2016	27,599,020	-	-	N/A
2017	27,645,800	400,000	2,033,358	11.36

(1) Principal and interest amounts are from the City of St. Petersburg 2017 Debt Supplement. See the footnote 12 for details on pledged revenue.

(2) No operating expense column necessary due to zero balances.

(3) Professional Sports Facility Sales Tax Bonds, Series 2003 were refunded in fiscal year 2014. Series 2014 debt service payments start in fiscal year 2017.

(4) Excise Tax Revenue Bonds had the last debt service payment October 1, 2015.

**City of St. Petersburg, Florida**  
**Pledged-Revenue Coverage - Continued** <sup>(1)</sup>  
**Last Five Fiscal Years**

Water Resources and Stormwater Revenue Bonds and Notes						
Fiscal Year	Revenue	Less:	Net	Bond & Note Service Coverage (2)		
		Operating Expenses	Available Revenue	Debt Service		Coverage
				Principal	Interest	
2013	\$ 117,231,258	\$ 82,257,239	\$ 34,974,019	\$ 6,315,150	\$ 13,079,206	1.80
2014	120,820,427	81,212,499	39,607,928	6,649,576	14,914,914	1.84
2015	125,637,098	87,774,234 (3)	37,862,864	7,471,456	15,681,005	1.64
2016	129,586,236	87,374,581 (3)	42,211,655	7,786,114	16,326,522	1.75
2017	141,535,097	89,747,038 (3)	51,788,059	8,347,466	15,404,055	2.18

Bond Service Coverage			
Fiscal Year	Debt Service		Coverage
	Principal	Interest	
2013	\$ 4,675,000	\$ 12,535,976	2.03
2014	4,865,000	14,331,525	2.06
2015	5,700,000	15,140,210	1.82
2016	5,960,000	15,840,385	1.94
2017	6,465,000	14,974,269	2.42

(1) Principal and interest amounts are from the City of St. Petersburg 2017 Debt Supplement. Principal and interest amounts exclude the impact of the \$53.9M State Revolving Funding (SRF) loan WW520630 currently in drawdown status and is without an assigned payment schedule. See debt footnote 12 for information on loan WW520630 and pledged revenue sources.

(2) Bond service coverage including subordinate debt service.

(3) Excludes pension expense related to application of GASB 68 Pension Accounting Standards. Calculation continues to include the funding of pension expense based on the actuarially determined contribution.





# **DEMOGRAPHIC AND ECONOMIC INFORMATION**

**City of St. Petersburg, Florida**  
*Demographic and Economic Statistics* <sup>(1)</sup>  
*Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Permanent Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
2008	251,459	\$ 6,047,640	\$ 24,050	41.3	5.7
2009	248,729	6,816,447	27,405	42.4	9.6
2010	246,378	6,218,154	25,238	42.8	11.9
2011	244,769	6,341,838	25,909	41.6	10.7
2012	246,293	6,748,428	27,400	41.3	9.1
2013	245,363	7,012,117	28,579	41.7	7.1
2014	246,642	6,899,070	27,972	41.8	5.8
2015	248,429	7,122,459	28,670	42.1	4.4
2016	250,713	7,256,637	28,944	42.2	4.3
2017	253,585	7,659,789	30,206	42.4	3.1

(1) US Census Bureau and Bureau of Labor Statistics

**City of St. Petersburg, Florida**  
**Principal Employers <sup>(1)(4)</sup>**  
**Current and Nine Years Prior**

Employer	2017			2008		
	Employees	Rank	Percentage of Total City Employment (2)	Employees	Rank	Percentage of Total City Employment (3)
Raymond James & Associates	3,400	1	2.45 %	2,300	1	1.92 %
All Children's Health	3,200	2	2.30 %	2,300	2	1.92 %
HSN	2,900	3	2.09 %	1,500	5	1.25 %
Publix Super Markets	2,000	4	1.44 %			
FIS Management Services	1,900	5	1.37 %	1,200	8	1.00 %
St. Anthony's Hospital	1,900	6	1.37 %	1,800	4	1.50 %
Jabil Circuit	1,700	7	1.22 %	2,000	3	1.67 %
Bayfront Medical	1,700	8	1.22 %	1,500	6	1.25 %
Brighthouse Networks	1,300	9	0.94 %			
Transamerica Life Insurance Company	1,000	10	0.72 %			
Times Publishing Corp.				1,300	7	1.08 %
Franklin Templeton				1,100	9	0.92 %
Progress Energy				1,000	10	0.83 %
<b>Total</b>	<b>21,000</b>		<b>15.11 %</b>	<b>16,000</b>		<b>13.34 %</b>

(1) City of St. Petersburg Economic Development Department.

(2) US Bureau of Labor Statistics. Total employees per principal employer divided by total employees in the City of St. Petersburg (138,943)

(3) City of St. Petersburg Economic Development Department. Total employees per principal employer divided by total employees in the City of St. Petersburg for 2008 (120,000 est.).

(4) Schedule does not include governmental or school employees



# **OPERATING INFORMATION**

**City of St. Petersburg, Florida**  
*Full and Part Time City Government Employees by Function/Program (1)*  
*Last Ten Fiscal Years*

	2017		2016		2015 (2)		2014		2013		2012 (2)	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government	327	15	325	13	289	6	279	11	280	11	276	20
Community and Economic Development	182	47	176	46	183	45	180	44	183	45	183	47
Police (3)	775	104	753	34	741	33	738	12	733	16	740	16
Fire and EMS	387	-	352	1	342	1	333	1	330	1	325	2
Public Works (3)	131	1	128	71	143	76	203	80	193	80	189	70
Recreation and Culture	352	360	360	436	343	384	331	418	329	322	325	317
Water and Wastewater Utility	302	3	308	2	297	2	296	2	296	2	310	3
Stormwater Utility	154	-	129	-	128	1	57	-	58	-	57	-
Sanitation	189	4	188	4	180	5	167	4	168	5	167	5
Airport	4	-	3	-	4	-	3	-	3	-	3	-
Port	1	2	1	2	1	3	1	3	1	5	1	5
Marina	12	7	12	6	10	8	10	8	11	8	13	6
Golf Courses	19	37	20	38	20	37	22	38	23	38	23	39
Jamestown Complex	4	-	4	-	4	-	4	-	4	-	4	-
Total City-Wide	2,839	580	2,759	653	2,685	601	2,624	621	2,612	533	2,616	530

(1) City of St. Petersburg Human Resources Department. Number of full time and part time employees as of September 30 each respective year.

(2) During fiscal years 2012 and 2015 the City had a reorganization that adjusted the classification of some departments to a different functional category.

(3) During fiscal year 2017 Crossing Guards were moved from the Public Works Department to the Police Department.

**City of St. Petersburg, Florida**  
*Full and Part Time City Government Employees by Function/Program (1)*  
*Last Ten Fiscal Years*

	2011		2010		2009		2008	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government	399	20	406	17	406	27	400	21
Community and Economic Development	153	35	162	38	174	51	178	42
Police	755	14	769	14	753	13	781	13
Fire and EMS	324	0	325	1	343	1	346	1
Public Works	125	75	119	75	125	77	134	76
Recreation and Culture	324	316	330	282	343	263	348	283
Water and Wastewater Utility	315	2	304	4	310	5	317	4
Stormwater Utility	55	2	59	1	61	-	61	-
Sanitation	175	5	172	8	172	7	201	7
Airport	3	-	3	1	3	-	3	-
Port	2	4	4	3	4	3	4	2
Marina	11	7	11	8	11	8	10	8
Golf Courses	25	27	26	34	26	36	29	40
Jamestown Complex	2	-	4	-	3	-	5	-
Total City-Wide	2,668	507	2,694	486	2,734	491	2,817	497

(1) City of St. Petersburg Human Resources Department. Number of full time and part time employees as of September 30 of the respective years.

(2) During fiscal years 2012 and 2015 the City had a reorganization that adjusted the classification of some departments to a different functional category.

**City of St. Petersburg, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>General Government</b>										
Parking (1)										
Southcore parking garage (number of monthly contract users)	216,710	217,866	180,000	106,000	122,000	181,000	165,000	152,000	121,000	87,000
Southcore parking garage (number of daily users)	19,605	16,260	13,000	13,000	15,000	28,000	19,000	14,000	26,000	28,000
Midcore parking garage (number of monthly contract users)	167,743	146,850	113,000	73,000	135,000	130,000	92,000	89,000	98,000	120,000
Midcore parking garage (number of daily users)	269,458	274,772	220,000	110,000	165,000	154,000	143,000	137,000	245,000	312,000
Utility Accounts (2)										
Utility Customers	93,567	93,690	92,693	91,195	90,816	89,889	90,318	89,780	90,148	90,902
Meters Read	1,125,869	1,142,013	1,143,034	1,162,471	1,148,820	1,148,011	1,162,474	1,147,709	1,139,169	1,163,097
Bills Produced / Mailed	1,126,672	1,125,236	1,108,543	1,122,012	1,014,791	1,024,706	1,112,702	1,130,158	1,099,861	1,221,841
<b>Community and Economic Development</b>										
Economic Development (3)										
Occupational Licenses Issued	16,149	16,082	15,981	16,077	15,520	15,923	15,103	15,498	15,768	16,541
Total Existing and Available Downtown Office Space (000's)	4,328	4,367	4,692	4,692	4,692	4,692	4,692	4,692	4,647	4,580
Occupancy Rate	93%	90%	88%	85%	87%	86%	83%	86%	89%	89%
Total Existing and Available Gateway Office Space (000's)	5,864	5,864	5,846	5,683	5,454	5,454	5,454	5,454	5,454	5,436
Occupancy Rate	94%	92%	91%	91%	90%	90%	89%	86%	86%	90%
Total Existing and Available Industrial Space Gateway (000's)	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,520
Occupancy Rate	92%	90%	90%	91%	87%	88%	88%	94%	93%	93%
Total Existing and Available Retail Space Citywide (000's)	11,619	11,620	11,545	11,598	11,687	11,600	11,523	11,504	11,443	11,370
Occupancy Rate	96%	92%	94%	93%	93%	93%	91%	91%	92%	96%
Permitting and Community Codes (4)										
Building Permits Issued	31,169	28,871	25,509	23,754	22,607	19,463	17,376	15,894	13,007	15,627
Total Construction Value	671,721,149	654,677,009	468,591,616	391,166,604	402,323,948	310,636,691	201,693,741	195,328,617	248,016,348	219,656,650
<b>Neighborhood Services (5)</b>										
Neighborhood Services - Codes Compliance										
Cases Opened From Citizen Complaints	16,425	12,023	15,145	14,204	12,130	11,582	12,967	11,380	10,879	10,235
Cases Opened Internally and By Survey	14,720	17,718	15,909	11,518	13,656	12,235	11,419	13,744	11,881	10,325
Number of Legal Actions By:										
Specials Magistrate and Code Enforcement Board	3,247	3,485	3,391	3,882	3,695	3,769	3,476	3,800	3,849	3,222
Court Action (Ordinance Violations)	485	557	597	519	480	680	783	841	841	553
Civil Citation (6)	2,568	1,527	-	-	-	-	-	-	-	-

(1) City of St. Petersburg Transportation and Parking Management Department (2) City of St. Petersburg Billing and Collections Department  
(3) City of St. Petersburg Economic Development Department; The City's methodology for Office Space and Occupancy changed during 2013. The 2008-2013 statistics were restated in 2013 for consistency purposes.  
(4) City of St. Petersburg Permits Department (5) City of St. Petersburg Codes Compliance Department (6) New Category added



**City of St. Petersburg, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>General Government (Continued)</b>										
<b>Police (6)</b>										
Citizen Calls for Service	133,993	131,163	129,441	128,551	124,549	123,164	125,635	100,592	137,462	136,413
UCR Part I Crimes (City) (7) (8)	14,688	14,036	16,436	16,155	15,291	14,761	15,383	13,465	20,255	18,772
Average Priority One Travel Time (Minutes)	5	5	5	5	5	5	5	5	5	4
Average Priority One Response Time (Minutes)	6	6	6	6	6	6	6	6	6	6
<b>Fire and EMS (8)</b>										
Fire and Emergency Responses	63,626	61,130	56,808	52,834	49,262	47,865	48,625	47,075	47,157	46,918
Fire Average Response Time (Minutes)	4:27:00	4:50:00	4:56:00	4:50:00	4:34:00	5:57:00	4:33:00	4:49:00	4:38:00	4:36:00
Rescue Average Response Time (Minutes)	4:16:00	4:23:00	4:25:00	4:20:00	4:19:00	4:22:00	4:24:00	4:35:00	4:23:00	4:17:00
<b>Recreation, Culture and Social</b>										
<b>Libraries (9)</b>										
Items Circulated	1,262,548	1,033,011	1,447,480	1,592,234	1,589,862	1,620,866	1,581,182	1,514,469	1,391,681	1,184,479
Facility Use (Number of Patrons Visiting)	1,035,379	1,076,445	1,168,713	1,277,377	1,319,022	1,372,408	1,440,099	1,442,069	1,413,098	1,276,805
Internet/Computer Use	250,115	265,314	290,235	333,112	362,963	383,755	438,910	470,709	379,666	328,400
<b>Parks and Recreation (10)</b>										
<b>Recreation Centers</b>										
Attendance	767,985	838,636	827,434	769,483	772,555	799,975	761,915	761,348	757,117	829,331
Rate of Recovery	34.48%	34.05%	35.87%	34.46%	38.05%	43.45%	40.56%	40.18%	45.14%	48.58%
<b>Swimming Pools</b>										
Attendance	273,250	295,951	272,108	267,054	296,524	286,448	252,594	291,384	298,165	259,160
Rate of Recovery	27.54%	30.74%	28.62%	32.90%	36.78%	36.87%	31.75%	30.33%	31.41%	28.78%
<b>Multi-Service and Adult Centers</b>										
Attendance	304,928	208,775	311,210	318,400	285,514	325,858	348,533	350,353	354,421	389,102
Rate of Recovery	22.94%	21.41%	24.89%	25.56%	26.12%	26.85%	22.55%	20.54%	19.21%	19.59%

(6) City of St. Petersburg Police Department Planning and Accreditation Unit; Beginning in 2009, Police statistics are reported for the fiscal rather than calendar year. 2008 was restated in 2009 to include the month of December 2008.

(7) Uniform Crime Report (UCR) - Numbers reflect the crimes reported by the local agencies (primarily Sheriff Offices and Police Departments) to Florida Department of Law Enforcement. The UCR does not include all offences reported to the police.

(8) City of St. Petersburg Fire and EMS Department; Beginning in 2009, Fire and EMS statistics are reported for the fiscal rather than calendar year. 2008 was restated in 2009 to include the month of December 2008.

(9) City of St. Petersburg Library Department

(10) City of St. Petersburg Parks and Recreation Department

**City of St. Petersburg, Florida**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**

Enterprise	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
<b>Sanitation (13)</b>										
Commercial Waste Customers	5,824	5,817	5,791	5,793	5,812	5,787	5,783	5,713	5,657	5,950
Residential Waste Customers	79,804	78,563	77,702	76,774	76,309	75,968	76,093	76,080	78,825	77,911
<b>Special Services</b>										
Pick-up Requests	48,474	44,425	34,259	28,936	22,318	20,377	18,809	18,773	20,645	25,625
Recycling Centers	64	64	64	64	64	68	73	71	73	74
Tons of Yard Waste	68,865	60,707	47,247	43,214	39,165	40,773	46,922	42,688	42,962	45,274
<b>Water Resources (14)</b>										
<b>Potable Water</b>										
Per Capita Usage Per Day (Gross)	80	80	78	78	79	86	81	82	81	90
Gallons Pumped Per Day (MGD)	29	29	28	28	29	29	28	27	28	29
New Installations	381	339	272	226	227	207	168	182	142	294
<b>Reclaimed Water Distribution</b>										
Number of Reclaimed Customers	11,107	11,022	11,010	10,988	10,992	10,940	10,925	10,924	11,153	10,901
Number of New Installations	128	84	57	61	66	73	54	54	93	121
Average Annual Reclaimed Water Use vs. Deep Well Injection (MGD)	15.0/20.57	17.95/23.46	16.4/21.7	15.77/17.27	17.34/17.22	17.56/16.11	17.47/13.91	15.3/18.51	17.68/13.47	18.97/13.77
Number of Gallons Pumped (In thousands)	12,996	15,158	13,909	12,059	12,615	12,291	11,451	12,340	11,369	11,980
<b>Stormwater (15)</b>										
Number of Acres of Retention Ponds & Drainage Ditches Mowed	1,136	1,136	1,136	1,136	1,136	1,136	1,136	1,136	1,136	1,136
Street Sweeping - Miles Swept (Residential, Commercial & Interstate)	37,380	37,380	37,380	37,380	37,380	37,380	37,380	37,380	37,380	37,380
<b>Airport (16)</b>										
Leases (Expired/Renewal/New)	2	3	2	3	4	5	2	1	1	2
Total Lease Value	1,208,000	1,137,000	1,117,000	1,153,000	878,500	989,000	998,000	943,000	896,000	846,000
Number of Airport Operations	94,870	83,296	89,055	97,691	92,710	85,900	77,566	77,600	83,398	83,840
Number of Based Aircraft	185	185	185	185	185	185	184	184	184	184
<b>Port (17)</b>										
Leases (Expired/Renewal/New)	1	1	1	1	1	1	1	1	1	-
Number of Ship Days Per Year	454	372	128	447	142	408	677	764	745	609
Number of Visiting Ships	26	34	12	23	32	63	35	42	41	35
<b>Marina (18)</b>										
Occupancy Rate	90%	95%	95%	93%	91%	94%	92%	92%	94%	94%
<b>Golf Courses (19)</b>										
Number of Rounds Per Year										
Mangrove Bay	47,870	61,621	64,472	66,930	67,357	69,581	68,674	65,939	71,267	76,605
Twin Brooks	17,744	19,377	11,811	15,787	17,599	19,640	19,237	18,856	23,545	23,724
Cypress Links	28,953	29,590	32,050	30,894	31,997	32,349	32,735	32,050	38,244	38,854
<b>Jamestown Complex (20)</b>										
Vacancy Rate	10.85%	17.00%	19.00%	22.00%	18.42%	23.68%	39.47%	18.42%	11.84%	9.20%

(13) City of St. Petersburg Sanitation Department (14) City of St. Petersburg Water Resources Department (15) City of St. Petersburg Stormwater Department (16) City of St. Petersburg Airport (17) City of St. Petersburg Port  
(18) City of St. Petersburg Marina (19) City of St. Petersburg Golf Courses Department (20) City of St. Petersburg Jamestown Complex; If units under renovation are excluded, the vacancy rate is 9.0% in 2016 and 8.0% in 2015.

**City of St. Petersburg, Florida**  
**Capital Asset Statistics by Function/Program <sup>(1)</sup>**  
**Last Ten Fiscal Years**

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Police (2)										
Stations	1	1	1	1	1	1	1	1	1	1
Sub-stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	419	419	401	394	414	414	414	381	401	412
Fire and EMS (3)										
Stations	13	12	12	12	11	11	11	11	12	12
Fire Fighting Units	18	16	16	16	16	16	16	22	22	22
Rescue Units	12	10	10	10	12	12	12	14	15	15
Support Specialty Units	8	9	9	8	8	8	8	8	8	8
Public Works (4)										
Streets and Alleys (Number)	11,935	13,849	13,849	13,849	13,849	13,849	13,849	13,849	14,022	14,022
Streets and Alleys (Miles)	985	1,187	1,187	1,187	1,187	1,187	1,198	1,198	1,202	1,202
Seawalls and Retaining Walls (Miles)	14	12	12	12	12	12	12	12	12	12
Bridges (Number)	80	81	81	81	81	82	82	81	79	79
Culverts (Number)	185	185	185	185	185	185	185	185	185	185
Recreation and Culture										
Libraries (5)	7	7	7	7	7	7	7	7	7	7
Recreation and Parks (6)										
Parks	155	155	155	155	154	154	151	151	150	141
Park Acres	2,460	2,457	2,457	2,457	2,449	2,400	2,400	2,400	2,400	2,400
Recreation Centers	15	15	15	15	15	15	15	15	15	15
Swimming Pools	9	9	9	9	9	9	9	9	9	9
Tennis Courts	66	66	66	66	66	66	66	66	66	66
Dog Parks	6	6	6	6	6	6	6	6	6	5
Public Beaches	5	5	5	5	5	5	5	5	5	5
Skate Parks	2	2	2	2	2	2	2	2	2	2
Water and Wastewater Utility Resources (7)										
Water Mains (Miles)	1,543	1,543	1,531	1,531	1,543	1,564	1,564	1,571	1,579	1,658
Potable Water Mains Replaced (Linear Feet)	36,075	42,943	37,319	41,220	34,556	53,179	57,035	56,702	66,282	66,412
Sanitary Sewer Collection Mains (Miles)	962	962	962	937	937	937	937	942	944	925
Sanitary Sewer Pipe Replacement (Linear Feet)	17,252	16,106	25,183	5,568	12,848	11,603	8,894	32,089	18,753	13,854
Sanitary Sewer Pipe Rehabilitation CIPP Lining (Linear Feet)	62,292	70,596	14,701	27,918	50,153	34,942	33,191	25,873	9,107	14,238
Reclaimed Water Lines	287 Miles	287 Miles	283 Miles	283 Miles	287 Miles	287 Miles	287 Miles	287 Miles	290 miles	300 Miles
	3	3	3	4	4	4	4	4	4	4

**City of St. Petersburg, Florida**  
**Capital Asset Statistics by Function/Program <sup>(1)</sup>**  
**Last Ten Fiscal Years**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Stormwater Utility (8)										
Storm Drainage - Miles of Pipe	484	484	484	484	484	483	483	478	484	484
Catch Basins	13,948	13,942	13,942	13,942	13,942	13,942	13,942	13,942	13,894	13,894
Grate Inlets	4,690	4,686	4,686	4,686	4,686	4,686	4,686	4,686	4,572	4,686
Culverts	185	185	185	185	185	185	185	185	185	185
Seawalls in Miles	12	12	12	12	12	12	12	12	12	12
Sanitation (9)										
Refuse Collection Vehicles	148	148	144	136	134	136	136	215	217	240
Marina (10)										
Slips	641	641	645	645	645	650	650	650	655	656
Number of Transient Boats Docked	901	817	787	663	388	519	471	411	497	402
Golf Courses (11)										
Number of Golf Courses	3	3	3	3	3	3	3	3	3	3
Jamestown Complex (12)										
Number of Units	76	76	76	76	76	76	76	76	76	76

- (1) No capital asset indicators are available for the General Government, Community and Economic Development, Airport and the Port
- (2) City of St. Petersburg Police Department
- (3) City of St. Petersburg Fire and EMS Department; The 2008-2010 number of stations were restated in 2011 to correct prior years for the unlocated variance of 2 stations for 2010 and 1 station for 2008-2009
- (4) City of St. Petersburg Public Works Department (information updated with GIS data in 2017)
- (5) City of St. Petersburg Library Department
- (6) City of St. Petersburg Parks and Recreation Departments
- (7) City of St. Petersburg Water Resources Department
- (8) City of St. Petersburg Stormwater Department
- (9) City of St. Petersburg Sanitation Department
- (10) City of St. Petersburg Marina
- (11) City of St. Petersburg Golf Courses Department
- (12) City of St. Petersburg Jamestown Complex; Twenty-one units were renovated in 2007 and added in 2008

## **IV. REGULATORY SECTION**

- **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***
- **Report of Independent Auditor on Compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Grant Guidance and Chapter 10.550, *Rules of the Auditor General* of the State of Florida**
- **Schedule of Expenditures of Federal Awards and State Financial Assistance**
- **Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance**
- **Schedule of Expenditures of Other Governmental Agencies Awards**
- **Notes to the Schedule of Expenditures of Other Governmental Agencies Awards**
- **Schedule of Findings and Questioned Costs**
- **Summary Schedule of Prior Audit Findings**
- **Independent Auditor's Management Letter**
- **Report of Independent Accountant on Compliance with Local Government Investment Policies**
- **Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill**

**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 Honorable Mayor and Members of City Council  
City of St. Petersburg, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of St. Petersburg, Florida (the “City”) as of and for the year ended September 30, 2017, and the related notes to the financial statements, which collectively comprise the City’s basic financial statements, and have issued our report thereon dated February 21, 2018.

**Internal Control over Financial Reporting**

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

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

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

**Compliance and Other Matters**

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

**Purpose of this Report**

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

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The script is cursive and fluid, with the letters "Cherry" and "Bekaert" being more prominent than "LLP".

Tampa, Florida  
February 21, 2018

**Report of Independent Auditor on Compliance for Each Major Program  
and on Internal Control Over Compliance required by the Uniform Grant Guidance  
and Chapter 10.550, *Rules of the Auditor General* of the State of Florida**

To the Honorable Mayor and Members of City Council  
City of St. Petersburg, Florida

**Report on Compliance for Each Major Federal Program and State Financial Assistance Project**

We have audited the City of St. Petersburg, Florida's (the "City") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and state financial assistance projects for the year ended September 30, 2017. The City's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards and state financial assistance projects applicable to its federal and state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the City's major federal programs and state financial assistance projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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; Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and state financial assistance occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and state financial assistance project. However, our audit does not provide a legal determination of the City's compliance.

***Opinion on Each Major Federal Program and State Financial Assistance Project***

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2017.



## Report on Internal Control over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and the state financial assistance project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and the state financial assistance project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

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

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

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

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Tampa, Florida  
February 21, 2018

**City of St. Petersburg, Florida**  
**Schedule of Expenditures of Federal Awards and State Financial Assistance**  
**Fiscal Year Ended September 30, 2017**

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
<b>U. S. DEPARTMENT OF AGRICULTURE</b>				
Child and Adult Care Food Program				
Passed through Florida Department of Health				
Child and Adult Care Food Program 17	10.558	A-1096	\$ -	\$ 176,247
Child Nutrition Cluster: Summer Food Service Program for Children				
Passed through Florida Department of Agriculture & Consumer Services				
Child Nutrition Cluster: Summer Food Service Program for Children FY17	10.559	04-0911	-	448,443
<b>Total Department of Agriculture</b>			-	624,690
<b>U. S. DEPARTMENT OF HEALTH &amp; HUMAN SERVICES</b>				
Partnerships to Improve Community Health				
Passed through Florida Dept of Health				
Partnerships to Improve Community Health FY16 Supplemental	93.331	AF5F8C	-	19,786
Partnerships to Improve Community Health FY17 Supplemental	93.331	PSR80	-	41,082
<b>Total Department of Health &amp; Human Services</b>			-	60,868
<b>U. S. DEPARTMENT OF HOMELAND SECURITY</b>				
Flood Mitigation Assistance				
Passed through Florida Division of Emergency Management				
Flood Mitigation Assistance Grant Program - Shore Acres Elevation	97.029	FMA-PJ-04-FL-2014-022	-	6,014
Flood Mitigation Assistance Grant Program - Reconstruction	97.029	FMA-PJ-04-FL-2014-021	-	375,066
<b>Total Flood Mitigation Assistance</b>			-	381,080
Disaster Grants - Public Assistance				
Hurricane Hermine	97.036	17-PA-W1-08-62-01-033	-	295,675
Tropical Storm Debby	97.036	13-DB-73-08-62-01-616	-	49,772
<b>Total Disaster Grants - Public Assistance</b>			-	345,447
Homeland Security Grant Program				
Metropolitan Medical Response System	97.067	282-00-0035	-	12,626
Passed through Hillsborough County, FL				
Florida Task Force 3 Urban Search & Rescue Team	97.067	15-DS-P4-08-39-01-448	-	4,508
<b>Total Homeland Security Grant Program</b>			-	17,134
Staffing for Adequate Fire and Emergency Response (SAFER)				
SAFER 2015	97.083	EMW-2015-FH-00164	-	411,948
<b>Total Staffing for Adequate Fire and Emergency Response</b>			-	411,948
<b>Total Department of Homeland Security</b>			-	1,155,609
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				
CDBG Entitlement Grants Cluster				
Direct Program				
Community Development Block Grant	14.218	B-14-MC-12-0017	573,190	614,810
Community Development Block Grant	14.218	B-15-MC-12-0017	90,935	119,588
Community Development Block Grant	14.218	B-16-MC-12-0017	407,810	1,310,557
Community Development Block Grant	14.218	Program Income (3)	40,418	61,543
Neighborhood Stabilization Program	14.218	Program Income (3)	-	48,461
<b>Total CDBG Entitlement Grants Cluster</b>			1,112,353	2,154,959
Emergency Solutions Grant Program				
Emergency Solutions Grant Program	14.231	E-15-MC-12-0009	28,388	31,521
Emergency Solutions Grant Program	14.231	E-16-MC-12-0017	97,014	107,722
<b>Total Emergency Solutions Grant Program</b>			125,402	139,243
HOME Investments Partnerships Program				
HOME Investment in Affordable Housing	14.239	M-13-MC-12-0220	18,000	297,612
HOME Investment in Affordable Housing	14.239	M-14-MC-12-0220	8,000	8,000
HOME Investment in Affordable Housing	14.239	M-15-MC-12-0220	141,299	216,644
HOME Investment in Affordable Housing	14.239	M-16-MC-12-0220	25,767	100,418
HOME Investment in Affordable Housing	14.239	Program Income (3)	52,414	77,841
<b>Total HOME Investment Partnerships Program</b>			245,480	700,515
<b>Total Department of Housing and Urban Development</b>			1,483,235	2,994,717
<b>U. S. DEPARTMENT OF JUSTICE</b>				
JAG Program				
Edward Byrne Memorial Justice Assistance Program				
Passed through Pinellas County				
Edward Byrne Memorial Justice Assistance 2014	16.738	2014-DJ-BX-0133	-	76,214
Edward Byrne Memorial Justice Assistance 2015	16.738	2015-DJ-BX-0798	-	64,008
Edward Byrne Memorial Justice Assistance 2016	16.738	2016-DJ-BX-0618	-	10,768
<b>Total JAG</b>			-	150,990
Equitable Sharing Program	16.922	N/A	-	124,473
<b>Total Equitable Sharing Program</b>			-	124,473
<b>Total Department of Justice</b>			-	275,463

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**City of St. Petersburg, Florida**  
*Schedule of Expenditures of Federal Awards and State Financial Assistance*  
*Fiscal Year Ended September 30, 2017*

<b>FEDERAL AWARDS</b>	<b>CFDA NUMBER</b>	<b>GRANT CONTRACT NUMBER</b>	<b>PASSED THROUGH TO SUBRECIPIENTS</b>	<b>EXPENDITURES</b>
<b>FUNDING SOURCE AND GRANT PROGRAM</b>				
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>				
Airport Improvement Program				
Rehabilitate Runway 7/25 Construction Phase	20.106	3-12-0074-023-2015	-	43,607
Rehabilitate Runway 7/25 Rehab	20.106	3-12-0074-024-2016		41,817
Total Airport Improvement Program			<u>-</u>	<u>85,424</u>
Highway Planning & Construction Cluster				
Passed through Florida Department of Transportation				
30th Ave North Bicycle Facility from 58th St to MLK	20.205	GO665		363,260
Sexton Elementary Project	20.205	GOE53		25,189
On Street Bicycle Lanes Project, Phase II	20.205	ARU40	-	476,165
Treasure Island Causeway Trail 2016	20.205	GOB64	-	212,778
Pinellas Trail Extension Project	20.205	AR190	-	123,418
Passed through University of South Florida				
High Visibility Enforcement for Pedestrian and Bicycle Safety	20.205	GOE08		69,124
Total Highway Planning & Construction Cluster			<u>-</u>	<u>1,269,934</u>
Federal Transit Cluster				
Passed through Pinellas County				
Central Ave Bus Rapid Transit Corridor Enhancements	20.500	FL-04-0134-00	-	6,346
Downtown St. Petersburg Intermodal Facility Study	20.500	FL-03-0322-00	-	3,778
Total Federal Transit Cluster			<u>-</u>	<u>10,124</u>
<b>Total Department of Transportation</b>			<u>-</u>	<u>1,365,482</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,483,235</u>	<u>\$ 6,476,829</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**City of St. Petersburg, Florida**  
*Schedule of Expenditures of Federal Awards and State Financial Assistance*  
*Fiscal Year Ended September 30, 2017*

STATE AWARDS FUNDING SOURCE AND GRANT PROGRAM	CSFA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>DEPARTMENT OF AGRICULTURE &amp; CONSUMER SERVICES</b>			
Natural Gas Fuel Fleet Vehicle Rebate Program			
Natural Gas Fuel Fleet Vehicle Rebate Program	42.029	N/A	\$ 104,966
Financial Assistance Agriculture Education & Promotion Facility			
Boyd Hill Nature Preserve Agriculture Education Building	42.047	ADCDF3	53,704
<b>Total Department of Agriculture &amp; Consumer Services</b>			<u>158,670</u>
<b>DEPARTMENT OF ENVIRONMENTAL PROTECTION</b>			
Wastewater Treatment Facility Construction			
Clean Water - State Revolving Funds	37.077	WW520630 - Prior Years	3,549,668
	37.077	WW520630 - FY 2017	16,821,000
<b>Total Department of Environmental Protection</b>			<u>20,370,668</u>
<b>DEPARTMENT OF LAW ENFORCEMENT</b>			
State Asset Forfeiture	N/A	N/A	189,268
<b>Total Department of Law Enforcement</b>			<u>189,268</u>
<b>DEPARTMENT OF REVENUE</b>			
Facilities for New Professional Sports, Retained Professional Sports or Retained Spring Training Franchise			
Facilities for New Professional Sports Facilities	73.016	N/A	2,000,004
<b>Total Department of Revenue</b>			<u>2,000,004</u>
<b>DEPARTMENT OF STATE</b>			
Division of Historical Resources	45.031	F1603	35,308
Historic Preservation Grants			
Cultural Facilities Grant Program			
Mahaffey Theater Acoustics Renovation	45.014	16-9911	913,361
<b>Total Department of State</b>			<u>948,669</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
Florida Highway Beautification Grant Program - Keep Florida Beautiful			
Citywide Highway Landscape Rehabilitation Project	55.003	AQ652	917,835
Citywide Highway Landscape Improvements Project	55.003	ART42	180,008
Citywide Highway Landscape Improvements Project - (4th St N)	55.003	AS083	33,850
Citywide Highway Landscape Improvements Project - (I-375)	55.003	AS189	18,560
Citywide Highway Landscape Improvements Project - (I-275)	55.003	AS081	7,826
Citywide Highway Landscape Improvements Project - (SR595)	55.003	AS191	35,000
<b>Total FL Highway Beautification Council Grants</b>			<u>1,193,079</u>
NPDES/TMDL Stormwater Retrofit Projects			
Lake Maggiore Environmental Education Center	55.024	BE296	15,000
<b>Total NPDES/TMDL Stormwater Retrofit Projects</b>			<u>15,000</u>
Aviation Grant Programs			
Corporate Hangar at Albert Whitted Airport	55.004	AQQ04	59,184
Hanger #1 Rehabilitation & Upgrade	55.004	AQY57	91,134
Runway 7/25 Extension Study	55.004	GO385	7,995
Airport Terminal Hangar	55.004	ART47	7,980
Runway 7/25 Rehabilitation Project	55.004	AR717	3,577
Taxiway C Rehab (Design)	55.004	GO147	1,739
Southwest Hangar Redevelopment Project	55.004	GO353	39,176
Southwest Hangar Redevelopment Project	55.004	ART47	39,176
Southwest Hangar Redevelopment Project	55.004	GO645	46,113
Southwest Hangar Redevelopment Project	55.004	ARK68	14,733
<b>Total Aviation Development Grants</b>			<u>310,807</u>
Seaport Grant Programs			
Repair and Renovate Port of St. Petersburg	55.005	AR736	61,434
<b>Total Seaport Grants</b>			<u>61,434</u>
<b>Total Department of Transportation</b>			<u>1,580,320</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance

**City of St. Petersburg, Florida**  
*Schedule of Expenditures of Federal Awards and State Financial Assistance*  
*Fiscal Year Ended September 30, 2017*

STATE AWARDS FUNDING SOURCE AND GRANT PROGRAM	CSFA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION</b>			
Gopher Tortoise Habitat Management Assistance	N/A	BO2D00	15,000
<b>Total Florida Fish and Wildlife Conservation Commission</b>			<u>15,000</u>
<b>FLORIDA HOUSING FINANCE CORPORATION</b>			
State Housing Initiatives Partnership (SHIP) Program			
State Housing Initiatives Partnership 2014-2015	40.901	N/A	24,154
State Housing Initiatives Partnership 2015-2016	40.901	N/A	886,285
State Housing Initiatives Partnership 2016-2017	40.901	N/A	431,621
State Housing Initiatives Partnership	40.901	Program Income (3)	696,496
<b>Total Florida Housing Finance Corporation</b>			<u>2,038,556</u>
<b>Total Expenditures of State Financial Assistance</b>			<u>\$ 27,301,155</u>
<b>Total Expenditures of Federal Awards And State Financial Assistance</b>			<u>\$ 33,777,984</u>

See accompanying notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance



**City of St. Petersburg, Florida**

*Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended September 30, 2017*

**NOTE 1 - GENERAL**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal awards and state financial assistance of the City of St. Petersburg, Florida (the "City"). The reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2017.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statement for the year ended September 30, 2017. The City elected not to use the 10% de minimis cost rate for indirect costs.

**NOTE 3 - PROGRAM INCOME**

Program income from the Community Development Block, HOME Investment in Affordable Housing, Neighborhood Stabilization and State Housing Initiatives Partnership grants is generated from multiple grant years, including previously closed grant years. The City has elected to show program income expenditures separately from the individual grant year expenditures listed on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 4 - LOANS OUTSTANDING**

The City of St. Petersburg, Florida had the following loan receivables balances outstanding at September 30, 2017.

PROGRAM TITLE	CFDA/CSFA	TOTAL
US Dept of Housing and Urban Development		
Community Development Block Grant	14.218	\$ 170,350
Neighborhood Stabilization Program	14.218	112,156
HOME Investment in Affordable Housing	14.239	4,809,527
Florida Housing Finance Corp		
State Housing Initiatives Partnership	40.901*	4,119,769

\*State Housing Initiatives Partnership Program changed from CSFA 52.901 to 40.901 in the 2015-2016 catalog.

**City of St. Petersburg, Florida**  
*Schedule of Expenditures of Other Governmental Agencies Awards*  
*Fiscal Year Ended September 30, 2017*

OTHER GOVERNMENTAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	GRANT CONTRACT NUMBER	EXPENDITURES
<b>SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT</b>		
14th Ave North Stormwater Improvements	15C00000040	\$ 408,192
Snell Isle Blvd NE, Rafael Blvd and Vicinity Storm Drainage Improvements	14C00000019	438,297
8Th Ave South, 44th Street South and Vicinity Storm Drainage Improvements	16CF0000164	170,958
St. Petersburg Sensible Sprinkling Program Phase 7	14C00000010	27,459
St. Petersburg Toilet Replacement Program Phase 15	15C00000050	34,324
<b>Total Southwest Florida Water Management District</b>		<u>1,079,230</u>
<b>PINELLAS COUNTY</b>		
Interlocal Agreement - Streetscape Improvements	N/A	668
Interlocal Agreement - Sidewalks	N/A	65,190
Interlocal Agreement - Jamestown	N/A	456,423
Municipal Recycling Reimbursement Program	N/A	191,425
<b>Total Pinellas County</b>		<u>713,706</u>
<b>JUVENILE WELFARE BOARD OF PINELLAS COUNTY</b>		
Direct Program		
TASCO Out of School Time FY17	N/A	1,395,091
TASCO Youth Programs - Matched Partnership FY17	N/A	492,527
<b>Total Juvenile Welfare Board of Pinellas County</b>		<u>1,887,618</u>
<b>Total Expenditures of Other Governmental Awards</b>		<u>\$ 3,680,554</u>

See accompanying notes to the Schedule of Expenditures of Other Governmental Agencies Awards



**City of St. Petersburg, Florida**  
*Notes to the Schedule of Expenditures of Other Governmental Agencies Awards*  
*Year Ended September 30, 2017*

**NOTE 1 - GENERAL**

The accompanying Schedule of Expenditures of Other Governmental Agencies Awards presents the activity of other governmental financial assistance of the City of St. Petersburg, Florida (the "City"). The reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2017.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Other Governmental Agencies Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statement for the year ended September 30, 2017.

**NOTE 3 - PROGRAM INCOME**

Program income from Local Housing Assistance Program grant is generated from multiple grant years, including previously closed grant years. The City has elected to show program income related expenditures separately from the individual grant year expenditures listed on the Schedule of Expenditures of Other Governmental Agencies Awards.

**NOTE 4 - LOANS OUTSTANDING**

The City of St. Petersburg, Florida had the following loan receivables balances outstanding at September 30, 2017.

<b>PROGRAM TITLE</b>	<b>TOTAL</b>
Pinellas County Local Housing Assistance Program	\$ 2,449,657

**CITY OF ST. PETERSBURG, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –**  
**FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**

*YEAR ENDED SEPTEMBER 30, 2017*

---

**Part I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐yes ☒no
- Significant deficiency(ies) identified not considered to be material weakness(es)? ☐yes ☒none reported

Noncompliance material to financial statements noted? ☐yes ☒no

**Federal Awards and State Financial Assistance Section**

Internal control over major federal award programs and state financial assistance projects:

- Material weaknesses identified? ☐yes ☒no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? ☐yes ☒none reported

Noncompliance material to federal award programs and State financial assistance projects noted? ☐yes ☒no

Type of auditor’s report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.550 ☐yes ☒no

Identification of major federal programs:

<u>CFDA#</u> 14.218	<u>Cluster or Program Name</u> Community Development Block Entitlement Grants Cluster
------------------------	--

Identification of major state projects:

<u>CSFA#</u> 37.077	<u>Cluster or Program Name</u> Wastewater Treatment Facility Construction Clean Water – State Revolving Funds
------------------------	--

**CITY OF ST. PETERSBURG, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –**  
**FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS**  
**(CONTINUED)**

*YEAR ENDED SEPTEMBER 30, 2017*

---

**Part I – Summary of Auditor’s Results (continued)**

Dollar threshold used to distinguish  
between Type A and Type B Programs:

Federal	\$750,000
State	\$819,034

Auditee qualified as low-risk auditee   X   yes        no

**Part II – Findings Related to the Audit of the Basic Financial Statements of the City**

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that required to be reported in accordance with *Government Auditing Standards*.

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

**Part III – Findings and Questioned Costs Related to the Audit of Federal Awards and State Financial Assistance**

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs and state financial assistance projects, as required to be reported by 2 CFR 200.516(a) and Chapter 10.550, *Rules of the Auditor General*.

There were no findings required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.550, *Rules of the Auditor General*.

**Part IV – Summary of Prior Audit Findings**

There were no prior audit findings for federal or state programs.

**City of St. Petersburg, Florida**  
*Summary Schedule of Prior Audit Findings*  
*Federal Awards Programs and State Financial Assistance Projects*  
*Year Ended September 30, 2017*

There were no prior year audit findings.

## **Independent Auditor's Management Letter**

To the Honorable Mayor and Members of City Council  
City of St. Petersburg, Florida

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

We have audited the financial statements of the City of St. Petersburg, Florida (the "City"), as of and for the year ended September 30, 2017, and have issued our report thereon dated February 21, 2018.

### **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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (the Uniform Guidance); and Chapter 10.550, Rules of the Auditor General.

### **Other Reports**

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*; Report of Independent Auditor on compliance for Each Major Program and on Internal Control Over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on Compliance with Local Government Investment Policies, regarding compliance in accordance with Chapter 10.550, Rules of the Auditor General. Disclosure in those reports and schedule, which are dated February 21, 2018, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

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

### **Financial Condition and Management**

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

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

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

#### **Annual Financial Report**

Section 10.554(1)(i)5.b. 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 the annual financial report for the City for the fiscal year ended September 30, 2017, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2017. In connection with our audit, we determined that these two reports were in agreement.

#### **Deepwater Horizon Oil Spill**

Section 10.556(10)(3), Rules of the Auditor General, requires a determination of the City's compliance with federal and state laws, rules, regulations, contracts, or grant agreements related to the receipt and expenditure of funds related to the Deepwater Horizon oil spill. The City's Deepwater Horizon oil spill funds received are unrestricted and, therefore, do not have related compliance requirements.

#### **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**

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

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Tampa, Florida  
February 21, 2018

**Report of Independent Accountant on Compliance  
With Local Government Investment Policies**

To the Honorable Mayor and Members of City Council  
City of St. Petersburg, Florida

We have examined the City of St. Petersburg, Florida's (the "City") compliance with the local government investment policy requirements of Sections 218.415, *Florida Statutes*, during the year ended September 30, 2017. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our 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 City's compliance with the specified requirements.

In our opinion, the City complied, in all material respects, with the local investment policy requirements of Section 218.415, *Florida Statutes*, during the year ended September 30, 2017.

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



Tampa, Florida  
February 21, 2018

**City of St. Petersburg, Florida**

*Other Supplementary Information*

*Schedule of Receipts and Expenditures of Funds Related to the Deepwater Horizon Oil Spill  
For the Fiscal Year Ended September 30, 2017*

Source	Amount Received in the 2016-17 Fiscal Year	Amount Expended in the 2016-17 Fiscal Year
<b>British Petroleum:</b>		
Agreement No. Not Applicable	-	1,156,716.29

Note: This does not include funds related to the Deepwater Horizon Oil Spill that are considered Federal awards or State financial assistance. The City did not receive funds that were considered Federal awards or State financial assistance related to the Deepwater Horizon Oil Spill.







## FINANCE DEPARTMENT



One Fourth Street North • St. Petersburg, FL 33701  
727-893-7304

STPETE.ORG