



CITY OF ST. PETERSBURG, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year 2018
October 1, 2017 • September 30, 2018

COMPREHENSIVE
ANNUAL FINANCIAL REPORT

of the

CITY OF ST. PETERSBURG, FLORIDA

for the
Fiscal Year Ended
September 30, 2018

Prepared by Department of Finance



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I. INTRODUCTORY SECTION

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- Certificate of Achievement
- Organizational Chart



CITY OF ST. PETERSBURG, FLORIDA
MAYOR-COUNCIL FORM OF GOVERNMENT
Fiscal Year 2018

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
Brandi Gabbard
Ed Montanari
Darden Rice
Steve Kornell, Vice Chair
Gina Driscoll
Lisa Wheeler-Bowman, Chair
Amy Foster

OFFICIALS APPOINTED BY CITY COUNCIL

CITY ATTORNEY

Jacqueline Kovilaritch, Esq.

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

DEPUTY MAYOR & CITY ADMINISTRATOR

Dr. Kanika Tomalin

ASSISTANT CITY ADMINISTRATOR

Thomas Greene

**FINANCE DEPARTMENT STAFF
APPOINTED BY MAYOR**

CHIEF FINANCIAL OFFICER

Anne A. Fritz

TREASURER

Thomas J. Hoffman

CONTROLLER

Erika R. Langhans



February 26, 2019

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, 2018. The report fulfills the requirements set forth in the City Charter Section 4.05; Florida Statutes, Chapter 218.32; 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, 2018. 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, 2018, 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.



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

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, Florida (the "City") is the southernmost and largest of the 24 municipalities in Pinellas County and is located at the approximate mid-point on the west coast of Florida. Tampa Bay forms the eastern and southern boundaries, and Boca Ciega Bay, which is part of the Intercoastal Waterway, forms the western boundary of the City. The area of the City is approximately 62 square miles and serves a population of 256,031. 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 was initially incorporated as a town in 1893 with a second incorporation as a city in 1903. The City operated under the Council/Manager form of government from 1931 to 1993. Effective April 1, 1993, the City Charter was amended to provide for an elected Mayor who shall be the chief administrative official of the City, with no vote on Council. Effective April 1, 1999, the Charter was amended to give the Mayor veto power over City ordinances and line item veto power over budget and appropriation ordinances, subject to the ability of the Council to override the veto. Prior thereto, the Mayor served as a Councilman-at-large. The City is divided into eight council districts. Council members and the Mayor serve terms of four years, subject to term limits.

The City provides a range of services to its citizens, including police and fire protection, refuse collection and recycling disposal, water distribution, sewage treatment, parkland development, economic and workforce development, neighborhood redevelopment, and structural inspection. 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, second largest in Florida and 11th 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's commercial economy remains diverse and resilient. Though the City is experiencing interest as a location to all businesses, five major industry clusters have flourished and are targeted –marine and life sciences, specialized manufacturing, financial services, data analytics, and creative arts and design. The City maintains the largest financial services cluster in the state of Florida and the largest marine science cluster in the Southeast.

The City has experienced recent growth in real property taxable values in fiscal years 2013 to 2018 (see below) 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.

St. Petersburg Taxable Value						
Fiscal Year	Millage Rate	Single Family & Mobile Homes	Multi-Family & Condominiums	Commercial	Other	Total Taxable Value
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
2018	6.7550	7,793	4,766	3,393	293	16,245

The amounts above are in millions.

As of September 30, 2018, Pinellas County and the City of St. Petersburg had a population of 949,842 and 256,031, respectively, compared with an estimated 939,548 and 253,585 the year before, per the U.S. Census Bureau 5-Year Estimates.

In September 2018, the labor force in Pinellas County and the City of St. Petersburg was 502,038 and 144,034, respectively, compared to 501,517 and 143,368, 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 488,434 and 140,214 for the current year, respectively, and 485,802 and 138,943, respectively, for the prior year. The non-seasonally adjusted City unemployment for September 2018 stood at 2.7% compared to 3.1% a year earlier. (Source: Bureau of Labor Statistics www.bls.gov)

2018 Budget Highlights

The Fiscal Year (FY) 2018 Adopted Budget is \$540 million for all funds, excluding internal service funds and dependent districts. This is an increase of \$25.9 million or 5.05% from the FY 2017 Adopted Budget. The estimate was used by City Council to set the millage rate as required by Florida Statutes. Notable highlights of the FY 2018 Adopted Budget are as follows:

- ÷ Investment of \$500,000 in our economic stability reserve fund. This investment combined with our two previous budgets' investments, add up to \$2.5 million for St. Petersburg's financial stability.
- ÷ The Fire & Emergency Medical Services (EMS) budget includes the second year of grant funding for 13 firefighters who operate out of a temporary station on the west side of town. Additionally \$61,000 is provided for the operating expenses of the temporary fire station.
- ÷ Urban Affairs investments of \$735,000 in intervention and prevention programming to the City's commitment to make a difference with at-risk youth.
- ÷ The FY18 Water Resources operating budget increased 9.44% over the FY17 adopted budget to ensure that each facility has the human resources to keep up with the growing work load and demand of implementing a robust 5 year Capital Improvement Project plan.
- ÷ The FY18 budget maintains a funding level of \$400,000 for continued progress towards ending homelessness for those most vulnerable: our children.
- ÷ Building on the investment made in FY17, budgeted but unspent funds of \$150,000 will be rolled over and combined with the FY18 appropriation of an additional \$100,000 for a total \$250,000 for implementation phase of an early childhood intervention program that seeks to improve the quality of and access to early learning in areas of the City of St. Petersburg with the greatest educational deficits.
- ÷ The Municipal Office Buildings internal service fund is increasing the rents 18% for the departments that occupy space in City Hall, the Municipal Services Center and the Greenhouse to provide the needed resources to address high priority upgrades and deferred maintenance on the facilities.
- ÷ City Council's FY18 budget includes resources of \$281,073 to add four legislative positions to assist Council Members in performing their public service duties for our community.
- ÷ Continue to maintain an investment in personnel and providing salary increases in FY18.

In addition, the FY 2018 capital improvement budget totals \$160.4 million, with a five year capital improvement budget of \$602.2 million. The capital improvement budget includes many projects that are recurring projects in nature, such as sidewalk reconstruction, potable water backflow prevention and facility improvements. Notable new programs are as follows:

- Public Safety: Acquisition of 20 additional police vehicles, construction of Police Headquarters and Police Training Facility and planned replacement of a Fire Engine and Fire Heavy Rescue vehicle at approximately \$5.4 million.
- Portions of the public utilities system have been in service since the 1950s and are reaching the end of their useful life. The City is implementing an industry standard asset management program to coordinate repair and replacement of existing assets in a

timely and cost-effective manner. Accordingly the underlying public utility departments have the following notable projects:

- Water Resources projects comprise approximately 80% of the FY2018 capital improvement budget and 5 year capital improvement budget. The City has entered into two Consent Orders with the Florida Department of Environmental Protection intended to improve the City's ability to handle wet weather events through mandatory construction of infrastructure improvements.
- The Stormwater Department's FY18 CIP budget included an update to their Stormwater Management Master Plan for \$1.5 million. Future specific projects necessary for our stormwater system will be identified as results of the study.
- Project to make modifications to the Municipal Services Center ("MSC") garage to allow use of the garage by the general public outside of the operational hours of MSC for \$500,000.
- The Airport's FY18 CIP budget included an update to their master plan and Airport Layout Plan for \$350,000. The scope of work includes the creation of an electronic Airport Layout Plan and inclusion in the Federal Aviation Authority's (FAA) airports geographic information system.

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%
2018	256,031	2,967	378	1,476	23.6%

The significant increase in FY 2018 average cost per citizen is due to an increase in capital expenditures related to the new construction of the Police Headquarters and garage, Police Training Facility, Fossil Park Fire Station as well as the ongoing construction of the Pier and Pier Approach.

For more information on fiscal year 2018 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

The policy and public engagement emanating from the Mayor's Office reflects some of our highest priorities and complements the transformative work being done throughout our city government.

In 2018, we continued our efforts to create opportunity and eradicate poverty through our Office of Urban Affairs. The larger 'My Brother's and Sister's Keeper' initiative, the 'Not My Son' campaign - aimed to reduce gun violence among young men - and the Cohort of Champions program, a comprehensive, one-year training initiative all come together to serve nearly 200 of St. Petersburg's African-American boys and young men. Their stories of success are a point of pride for us.

Further, we are a proud member of St. Pete Works!, a workforce collaborative of community organizations that increases employment in our South St. Petersburg Community Redevelopment Area. In order to connect employers with potential employees in greater numbers, St. Pete Works! provides training and developmental programs to assist individuals, promotes job opportunities within the Community Redevelopment Area (CRA) and throughout St. Petersburg, and works to increase job success for individuals with special needs. This is yet another illustration of our commitment to people, and not just brick and mortar projects.

The above strides are bolstered by our focus on public schools in south St. Petersburg and beyond. Mentoring, youth intervention, a revived anti-bullying campaign, and a focus on better connecting our schools to their surrounding neighborhoods drives real progress that is making a real difference in the lives of our community's students.

And, we remain ever mindful that St. Petersburg's future is not only dependent on guiding and inspiring our youth, but on addressing the very real threat of a changing climate, a rising sea, and the contributing factor of carbon pollution. The Integrated Sustainability Action Plan continues to develop, and will serve as a blueprint for integrating sustainability and resiliency across all city departments. It will also advance us toward our goal of being 100 percent powered by clean energy.

Getting people out of cars, and improving the quality of life for pedestrians and cyclists is also part of the equation. While the 'Complete Streets' transformation of Martin Luther King, Jr. St. N made the most news, we also continued to focus on our Bicycle Friendly Business program, which grew in its second year. The idea, conceived during one of Mayor Rick Kriseman's early

small business tour stops, not only encourages cycling and addresses employee and client parking solutions, but improves the health of our residents and the city we love.

St. Petersburg's natural environment is always worth protecting. That's why we've purchased and preserved dozens of acres of green space since 2014. It's why our Office of Sustainability and Resiliency has worked closely with the St. Petersburg City Council to decrease pollution through a responsible phasing-out of single-use plastics. And, it is why our Public Works Administration is doing the hard and necessary work of upgrading our infrastructure.

Our Cultural Affairs division also appropriately resides and thrives in the Mayor's Office to emphasize our status as a 'City of the Arts'. That title was especially deserved in 2018 as we opened the doors of The James Museum of Western & Wildlife Art and the Imagine Museum in our Grand Central District. Hosting nearly 1.5 million visitors and with annual budgets approaching \$30 million dollars, St. Petersburg's 11 museums are responsible for a direct economic impact of \$76.7 million and boost our local economy by employing more than 2,000 full-time employees.

The non-profit Arts Alliance has served as our primary contract agency for the arts in St. Petersburg during the Kriseman Administration. For the fourth year in a row, they have produced the Shine Mural Festival, and as a result of this festival and the energy it creates, we now have nearly 600 murals in the city. Our outdoor art gallery is incredible, both in terms of its breadth of styles, and I believe these murals and the entire cultural experience in St. Petersburg now rivals some of the world's best and biggest cities. And even more public art will come online in 2019 when we open both the new St. Petersburg Police Station and the new St. Petersburg Pier.

Communication with our citizens is extremely important, and our Mayor's Action Center received thousands of emails, nearly 70,000 phone calls, and nearly 30,000 SeeClickFix submissions. The Mayor's Office remains committed to operating the government "in the sunshine."

City Development Efforts

The growth of the City's downtown redevelopment area has been noteworthy with the value of property in the City's Intown redevelopment area increasing from \$108 million to \$1.72 billion between 1981 and 2018, experiencing nearly continual annual growth except for a 10 percent decline in 2010. Over \$44 billion (in 2018 dollars) in public and private construction throughout the greater downtown area including the medical and university district has been completed or initiated since the City approved a redevelopment plan for downtown in March 1982.

The City is also focusing resources on revitalizing underserved areas of St. Petersburg. In May 2015, St. Petersburg City Council adopted an innovative 30-year revitalization plan for the South St. Petersburg CRA. At 7.4 square miles, the South St. Petersburg CRA is one of the largest in Florida and is generally bounded by 2nd Avenue North, Interstate 275, Interstate 175 and Booker Creek on the north; 4th Street South on the east; 30th Avenue South on the south; and 49th Street on the west.

The South St. Petersburg Plan is the first redevelopment plan in St. Petersburg to provide a direct source of public funding (known as tax increment financing or TIF) to support the private investment of businesses, property owners and residents. Prior redevelopment plans in St.

Petersburg and Pinellas County, such as the Downtown St. Petersburg TIF district, typically used TIF revenue to fund public improvements, such as garages, stadiums, streetscaping, and infrastructure, to attract private investment. The St. Petersburg Plan is using TIF to directly support private investment, greatly expanding the community's access to capital and encouraging private enterprise within the CRA to help revitalize it. Some of the programs approved by City Council include grants to property and business owners to renovate commercial properties, direct incentives to developers to build or renovate affordable multifamily housing, and a loan program to assist businesses in need of capital.

The City annually presents the State of the Economy, a look at over 30 different economic measures from socioeconomic and real estate to business development and transportation. The presentation tracks St. Petersburg's progress in these key economic measures, as well as introduces a variety of City projects that help further St. Petersburg's economy. The State of the Economy presentation may be viewed at: www.stpeteshines.com.

Utilities and Communications

The City's three municipal enterprise operations, Water Resources, Stormwater, and Sanitation, provide potable water, wastewater treatment, reclaimed water irrigation, stormwater improvements, solid waste collection, disposal services and recycling services to its customers. Stormwater operations and maintenance is provided by the Engineering and Capital Improvements and Storm Water Departments. The City's residents are served twice weekly by an automated sanitation collection service. Solid waste is disposed of in a Resource Recovery Plant, which is under the administrative control of Pinellas County. This disposal method replaced landfill operations in 1983 and is the required method for all waste disposal in Pinellas County. In 2015, the City launched its Universal Curbside Recycling Program with every other week collections for most residents. Sanitation collects recycling both curbside and in alleys.

Other utilities in the City are provided by Duke Energy, Inc. for electric service, Frontier and Charter Spectrum for telephone service and TECO for metered natural gas. The Tampa Bay Times, an award-winning daily newspaper, is published in the City along with a number of smaller weekly publications and has its main office in downtown. Seven television stations and three cable franchises serve the greater St. Petersburg area. The City also operates its own low power broadcast government access channel.

Cultural and Recreational Facilities

The City offers a variety of cultural facilities ranging from theater and symphony performances to museum displays. The Mahaffey Theater is a City owned and operated by Big3 Entertainment, which provides events throughout the year, including symphony and top-name entertainers.

The City is home to many fine museums. Tom James, the Chairman Emeritus of Raymond James Financial and his wife Mary, constructed a new \$50 million museum, meeting space, and upcoming restaurant to house the James' personal collection of art at the newly opened James Museum of Western and Wildlife Art at 100 Central Avenue. Also, currently under construction is the Museum of the American Arts and Crafts Movement at 355 4th St. N. This \$70 million,

137,000 sf. facility will house Rudy Ciccarello's vast collection of pottery, tiles and entire rooms from the American Arts and Crafts movement. Also planned is a restaurant, and event space.

In January 2018, Imagine Museum opened in a restored building, its collection dedicated to Contemporary American Studio Glass, and funded by benefactor Trish Duggan, at 1901 Central Avenue.

Fine museums adorn the downtown waterfront as well. The Museum of Fine Arts, in Straub Park, features ten exhibition galleries, including three authentic period rooms, an outdoor ornamental garden and an auditorium for community events. The Salvador Dali Museum houses the largest collection of Dali works in the world. The collection--valued at \$75 million--has 93 oil paintings, 100 watercolors and drawings, and 1,300 graphics, sculptures and objects of fine art. In January 2011, the Dali museum moved to a 74,000 square-foot building on the City's downtown waterfront becoming an architectural icon for arts patrons worldwide.

The St. Petersburg Museum of History and Flight, along the redeveloped St. Petersburg Pier approach, offers visitors a glance at the City's unique past and includes a pavilion for a display of the Benoist airplane, which inaugurated commercial airline service in 1914. The Great Explorations Hands on Museum offers children and adults interactive exhibits in the arts, science and health fields and moved into its new facility in the recently renovated Sunken Gardens. In 1998, the Florida Holocaust Museum joined the collection of world-class downtown museums. The Morean Arts Center, a 30-year-old non-profit art gallery and educational center devoted to the visual arts, has completed a multi-million dollar expansion of its facility.

The St. Petersburg Library System consists of seven libraries committed to community development through programs and services centered on education, economy, ecology, equity, efficiency and engagement. The system is fully automated, providing easy access to collection materials at all sites. Electronic materials are also accessible anywhere via the Internet. With collections of over 470,000 items, the library system offers books, DVDs, CDs, audiobooks, e-books, streaming music and videos, electronic magazines and journals, as well as on-demand instructional videos covering technology, workforce development, and more. The City's libraries offer a wide variety of programs and services that enhance the quality of life of residents and visitors in keeping with the library's mission to provide materials, information and services to meet the educational, recreational, cultural and social needs of our diverse community.

The City has one of the most extensive recreational and waterfront park systems in the Country. The City's Nationally Accredited Parks and Recreation Department supervises more than 2,400 acres of parkland containing over 150 recreational and scenic parks, 17 recreation facilities, and nine swimming pools. The City also maintains over 77 athletic fields. Boyd Hill Nature Park features bicycle paths, a boardwalk for strolling through natural Florida vegetation, and an educational nature center. The Parks and Recreation/Office on Aging oversees the operations of the Sunshine Center and Enoch Davis Center, both are multi-service centers for all ages. It also promotes intergenerational involvement through activities and programs, advocates to improve the quality of life for seniors in our community and offers information and referral services. Therapeutic Recreation Programs, teen programs and City-wide special events divisions provide activities for all abilities, ages and interests. The City also has 78 playground units, which are located within a 1/2 mile of every child.

The City features numerous golf courses including three award-winning municipally-owned courses. In 2015, Twin Brooks Golf Course underwent a complete renovation that included all

new putting surfaces, irrigation, drainage and a practice area and range with three practice holes. The area also has fishing, boating, waterskiing and some of America's finest beaches.

In 2015, City Council voted to replace the current Pier with a new one: The New St. Petersburg Pier. Demolition of the old Pier began in mid-2015 and construction of the new Pier and Pier approach began in summer 2017. The Pier approach connects the Pier to the downtown business core and its boundaries follow the waterfront from the Vinoy to Pioneer Park. A Doc Ford's Rum Bar and Grille restaurant has been signed to occupy the restaurant space at the Pier approach, and Teak—for three restaurant concepts at the Pier head. Opening festivities are planned for late 2019.

Nearby Demens Landing is an 8.5-acre waterfront park that includes the Municipal Marina support facilities, a sailing center, playground equipment, fishing piers and other facilities for the general public. The Downtown Waterfront Master Plan adopted by the City in 2015 will connect the seven miles of downtown waterfront parkland and surrounding areas through a cohesive framework for future development.

Florida's largest publicly operated marina facility, the St. Petersburg Municipal Marina, is located in downtown, and serves as the hub for local boating activities. Facilities include 650 permanent slips and 500 feet of transient dock space for visiting boaters. The Municipal Marina maintains a 94% occupancy rate for permanent slips and docks 400 transient vessels each year. The Port of St. Petersburg is one of Florida's fourteen officially designated deep-water ports and is an integral part of the City's waterfront development. The Port Terminal building will soon be home to the Secrets of the Sea Marine Exploration Center and Aquarium, which will serve as the epicenter and public face for marine research, technology, and innovation in the southeastern United States.

As a major sports hub of the Southeast, the City is host to a variety of on-going and special sporting events throughout the year. Other annual sports events in the City include the St. Anthony's Triathlon, called one of the best urban races in the United States, the St. Pete Run Fest, the Annual Suncoast Tarpon Roundup (fishing contest), Sail Expo St. Petersburg, and the Grand Prix of St. Petersburg (motorsports).

Awards and Acknowledgments

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, 2017. 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, 2017 and the GFOA's Award for Distinguished Budget Presentation for its annual financial plan


for the fiscal year beginning October 1, 2017. 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.

We also greatly appreciate the continued support of the Citizens, City Council, Mayor and Administration.

Respectfully submitted,



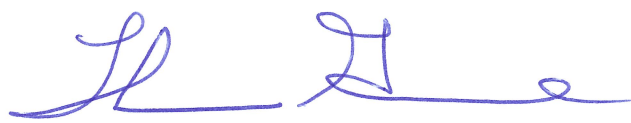
Anne A. Fritz
Chief Financial Officer



Erika R. Langhans
Controller



Dr. Kanika Tomalin
Deputy Mayor & City Administrator



Thomas Greene
Assistant City Administrator



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
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Reporting**

Presented to

**City of St. Petersburg
Florida**

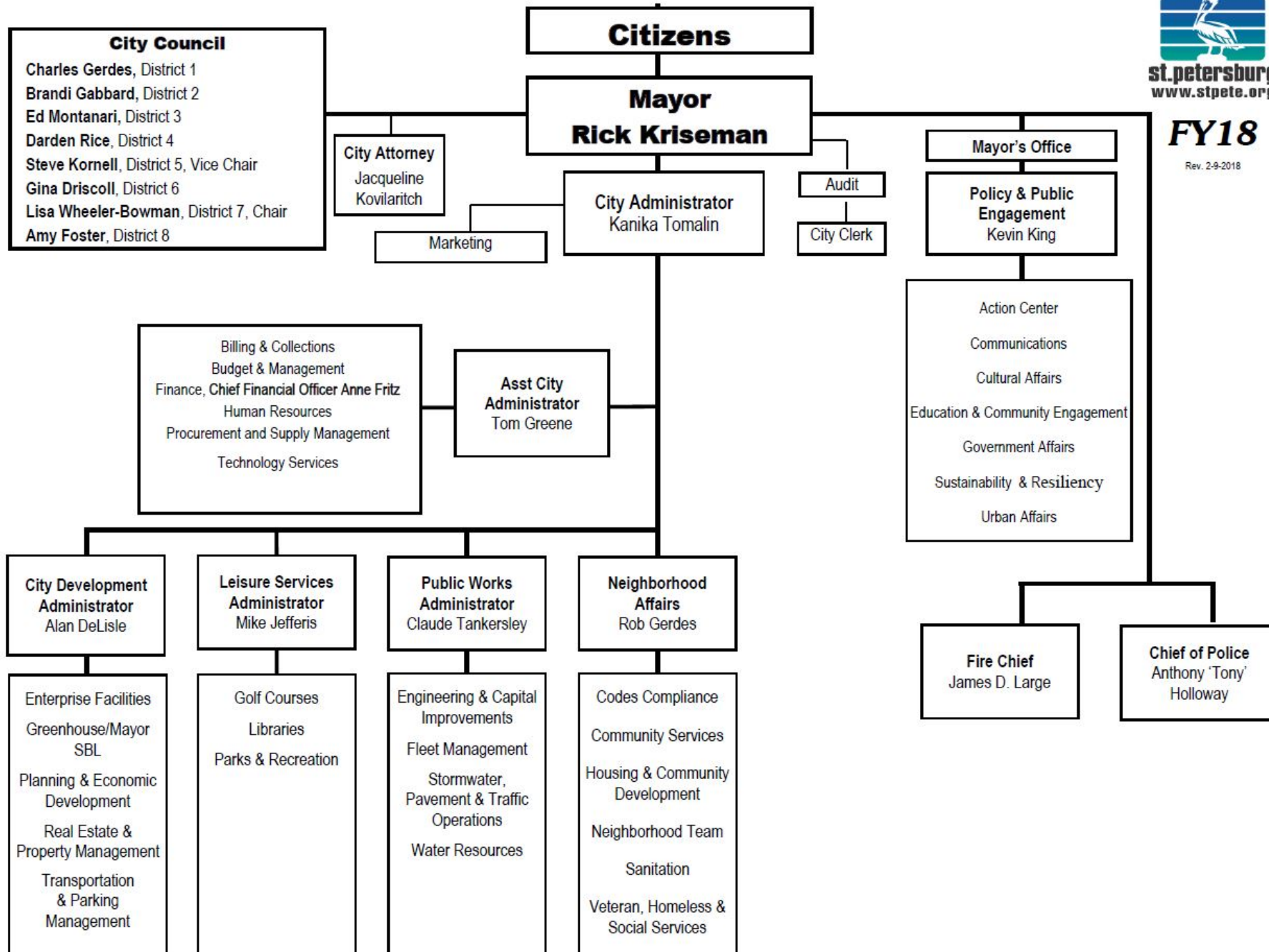
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2017

Christopher P. Morill

Executive Director/CEO







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, 2018, 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, 2018, 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.

Emphasis of Matter

As discussed in Notes 1, 14, and 24 to the financial statements, the City adopted the provisions of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the year ended September 30, 2018. Adoption of the new accounting guidance resulted in a restatement of beginning net position. Our opinions are not modified with respect to this matter.

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 26, 2019, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Cherry Bekaert LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
February 26, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
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, 2018. 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 inflows exceed its liabilities and deferred inflows (net position) at the close of this fiscal year by \$1,109.7 million (\$1,070.2 million in restated 2017), which is an increase from the prior year of \$39.5 million as compared to restated 2017 where there was a decrease in net position of \$17.5 million.
- Unrestricted net position totals \$175.3 million and may be used to meet the government's ongoing obligations to citizens and creditors.
- Governmental general revenue and transfers totaled \$230.3 million compared to \$230.7 million in 2017, or a \$0.4 million (0.2)% decrease over the prior year.
- The business-type activities program revenue totaled \$225.1 million as compared to \$206.6 million in 2017, or a \$18.5 million (8.9%) increase over the prior year; program expenses totaled \$207.3 million as compared to \$201.0 million in 2017 or a \$6.3 million (3.1%) increase over the prior year. Including transfers, the result produced an increase in business-type net position of \$41.5 million as compared to an increase in business-type net position of \$ 16.2 million in 2017 (excluding restatement for GASB 75).
- As of the close of the fiscal year, the City of St. Petersburg's governmental activities reported combined ending net position of \$442.41 million as compared to \$444.43 million in 2017, a decrease of \$2.0 million in comparison with the restated prior year. Within net position, \$45.6 million was unrestricted.
- During the current fiscal year, there was a \$2.0 million reduction in net position for governmental activities from restated 2017 and a \$41.5 million addition in net position for business activities.

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
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 54 and 55 of this report.

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
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-two 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 Surtax 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 184 of the report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement, page 64, has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 56 through 67 of this report.

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
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, Technology 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 68 through 75.

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 76 and 77.

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 79 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 and other postemployment benefits (OPEB). The required supplementary information can be found beginning on page 173.

Combining statements referred to earlier in connection with non-major governmental funds, enterprise funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 184 through 241.

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
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 2018 as compared to 2017, restated for the implementation of GASB 75 relating to Other Postemployment Benefits (OPEB).

TABLE 1 - Summary of Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017 Restated	2018	2017 Restated	2018	2017 Restated
Current and Other Assets	\$ 488,786,104	\$ 521,869,320	\$ 374,270,640	\$ 279,756,756	\$ 863,056,744	\$ 801,626,076
Capital Assets	421,297,646	377,347,912	991,935,372	914,084,063	1,413,233,018	1,291,431,975
Total Assets	910,083,750	899,217,232	1,366,206,012	1,193,840,819	2,276,289,762	2,093,058,051
Deferred Outflows of Resources	54,800,263	64,037,637	19,807,402	21,316,155	74,607,665	85,353,792
Other Liabilities	76,345,967	56,869,228	170,394,807	50,662,574	246,740,774	107,531,802
Long Term Liabilities	399,441,737	453,249,420	535,615,274	536,373,913	935,057,011	989,623,333
Total Liabilities	475,787,704	510,118,648	706,010,081	587,036,487	1,181,797,785	1,097,155,135
Deferred Inflows of Resources	46,681,595	8,710,961	12,707,767	2,309,186	59,389,362	11,020,147
Net investment in capital assets	345,541,833	338,458,935	517,908,073	504,565,046	863,449,906	843,023,981
Nonexpendable	29,672,690	430,455	-	-	29,672,690	430,455
Restricted	21,613,250	28,399,994	19,662,021	14,750,889	41,275,271	43,150,883
Unrestricted	45,586,941	77,135,876	129,725,472	106,495,366	175,312,413	183,631,242
Total Net Position	\$ 442,414,714	\$ 444,425,260	\$ 667,295,566	\$ 625,811,301	\$ 1,109,710,280	\$ 1,070,236,561

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 \$1,109.7 million at the close of fiscal year 2018, an increase of \$39.5 million from the restated prior year.

As depicted in Table 1, the largest portion of the City's net position, 78%, 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. Also, approximately 12% of the net position of the City represents resources that are subject to external restriction on how they may be used. The remaining 10% of net position are

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
Unaudited

unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

As was the case in the restated 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 decreased by \$2.0 million during 2018 as compared to an increase in total net position of \$1.3 million during the prior fiscal year. The decrease in change in net position is due to the increase of transfers out from governmental activities resulting from the funding of business-type activity projects including additional amounts for the public utility from governmental activities. During the prior fiscal year, net transfers from governmental activities to business-type activities was \$3.4 million, while the current year the transfer was \$17.1 million.

Business-type activities total net position increased by \$41.5 million in the current fiscal year as compared to an increase of \$16.2 million during 2017. The increase relates to expenses of \$207.3 million (\$201.0 million in 2017) under revenues of \$231.7 million (\$213.7 million in 2017), and net transfers in from governmental activities of \$17.1 million (\$3.4 million from other funds as restated 2017).

City of St. Petersburg, Florida
Management's Discussion and Analysis
For the Year Ended September 30, 2018
Unaudited

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

Table 2 - Summary of Change in Net Position

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017*	2018	2017*	2018	2017*
Program Revenues:						
Charges for Services	\$ 67,331,575	\$ 62,881,253	\$ 216,741,154	\$ 201,511,492	\$ 284,072,729	\$ 264,392,745
Operating Grants and Contributions	9,143,242	10,517,539	5,379,869	3,529,778	14,523,111	14,047,317
Capital Grants and Contributions	3,616,205	6,471,582	2,968,910	1,563,014	6,585,115	8,034,596
General Revenues:						
Property Taxes	113,481,368	104,481,680	-	-	113,481,368	104,481,680
Other Taxes	51,126,531	48,999,303	-	-	51,126,531	48,999,303
Intergovernmental	76,801,228	73,214,713	-	-	76,801,228	73,214,713
Other	6,001,762	7,401,014	6,612,226	7,133,175	12,613,988	14,534,189
Total Revenues	327,501,911	313,967,084	231,702,159	213,737,459	559,204,070	527,704,543
Program Expenses:						
General Government	43,099,098	41,180,855	-	-	43,099,098	41,180,855
Comm. and Economic Development	19,064,106	20,530,929	-	-	19,064,106	20,530,929
Public Works, Streets & Facilities	30,872,449	31,828,229	-	-	30,872,449	31,828,229
Public Safety - Police	111,987,229	114,930,124	-	-	111,987,229	114,930,124
Public Safety - Fire and EMS	43,710,855	43,254,689	-	-	43,710,855	43,254,689
Recreation, Social & Culture	59,010,192	54,966,996	-	-	59,010,192	54,966,996
Interest on Long-term Debt	4,643,321	2,501,068	-	-	4,643,321	2,501,068
Water and Waste Water Utility	-	-	122,358,658	115,296,480	122,358,658	115,296,480
Stormwater Utility	-	-	17,575,741	15,786,948	17,575,741	15,786,948
Sanitation	-	-	39,500,349	41,660,758	39,500,349	41,660,758
Tropicana Field	-	-	5,614,578	6,277,185	5,614,578	6,277,185
Airport	-	-	1,715,124	1,546,366	1,715,124	1,546,366
Port	-	-	983,593	1,026,277	983,593	1,026,277
Marina	-	-	3,258,748	3,512,662	3,258,748	3,512,662
Golf Courses	-	-	3,851,423	3,777,731	3,851,423	3,777,731
Jamestown Complex	-	-	792,270	1,143,617	792,270	1,143,617
Parking	-	-	6,601,604	6,056,754	6,601,604	6,056,754
Mahaffey	-	-	2,195,434	2,448,161	2,195,434	2,448,161
Pier	-	-	233,490	22,944	233,490	22,944
Coliseum	-	-	933,056	868,837	933,056	868,837
Sunken Gardens	-	-	1,729,033	1,543,866	1,729,033	1,543,866
Total Expenses	312,387,250	309,192,890	207,343,101	200,968,586	519,730,351	510,161,476
Change in net position before transfers	15,114,661	4,774,194	24,359,058	12,768,873	39,473,719	17,543,067
Transfers	(17,125,207)	(3,428,315)	17,125,207	3,428,315	-	-
Increase (Decrease) in Net Position	(2,010,546)	1,345,879	41,484,265	16,197,188	39,473,719	17,543,067

*Fiscal Year 2017 has not been restated for the adoption of GASB 75.

City of St. Petersburg, Florida
Managements' Discussion and Analysis
For the Year Ended September 30, 2018
Unaudited

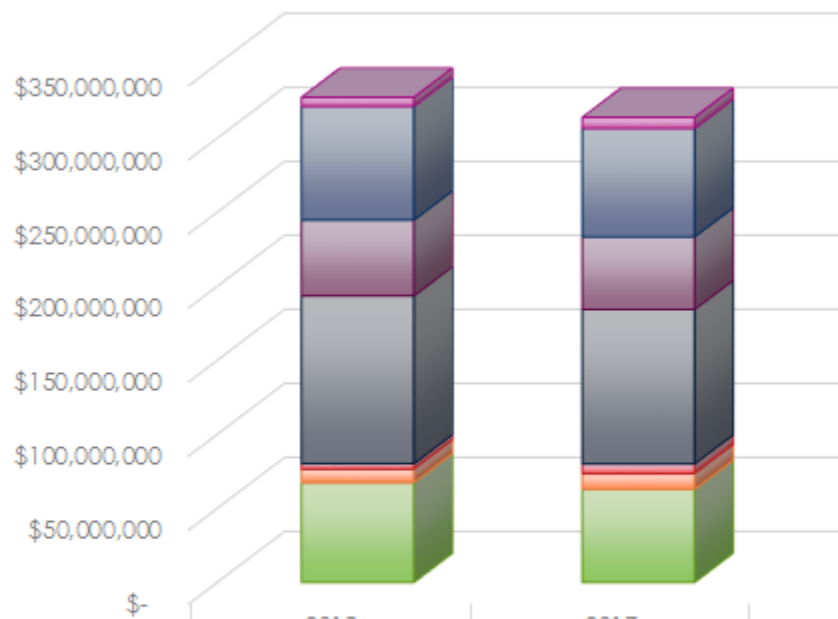
Governmental Activities

Governmental activities change in net position for the current year reflects a decrease in net position of \$2.0 million, as compared to an increase net position of \$1.3 million during 2017. One reason is transfers from governmental activities to business type activities were \$17.1 million during 2018 as compared to \$3.4 million during 2017. The increase in transfers out to business-type activities during 2018 as compared to 2017 resulted from the recognition of significant capital assets paid for by governmental activities and transferred to business-type activities

Also during 2018, there was an increase in revenues from governmental activities as the revenues increased from \$314.0 million in 2017 to \$327.5 million in 2018, which is a \$13.5 million increase, or 4.1%. The largest increase from general governmental activities were property tax revenues, which increased \$9.0 million (8.6%) from the prior year, due to the increased valuations from continued growth in existing property values as well as new construction. Other governmental revenues which saw increases from the prior year include other taxes, which were increased 4.2%. Revenue decreased in both operating and grant revenues due to the decline in grant opportunities for the City, and other revenue, which declined \$1.4 million in 2018 due to one-time revenues received in the prior year. A summary of revenues of revenues by source for each is as follows:

City of St. Petersburg, Florida
Managements' Discussion and Analysis
For the Year Ended September 30, 2018
Unaudited

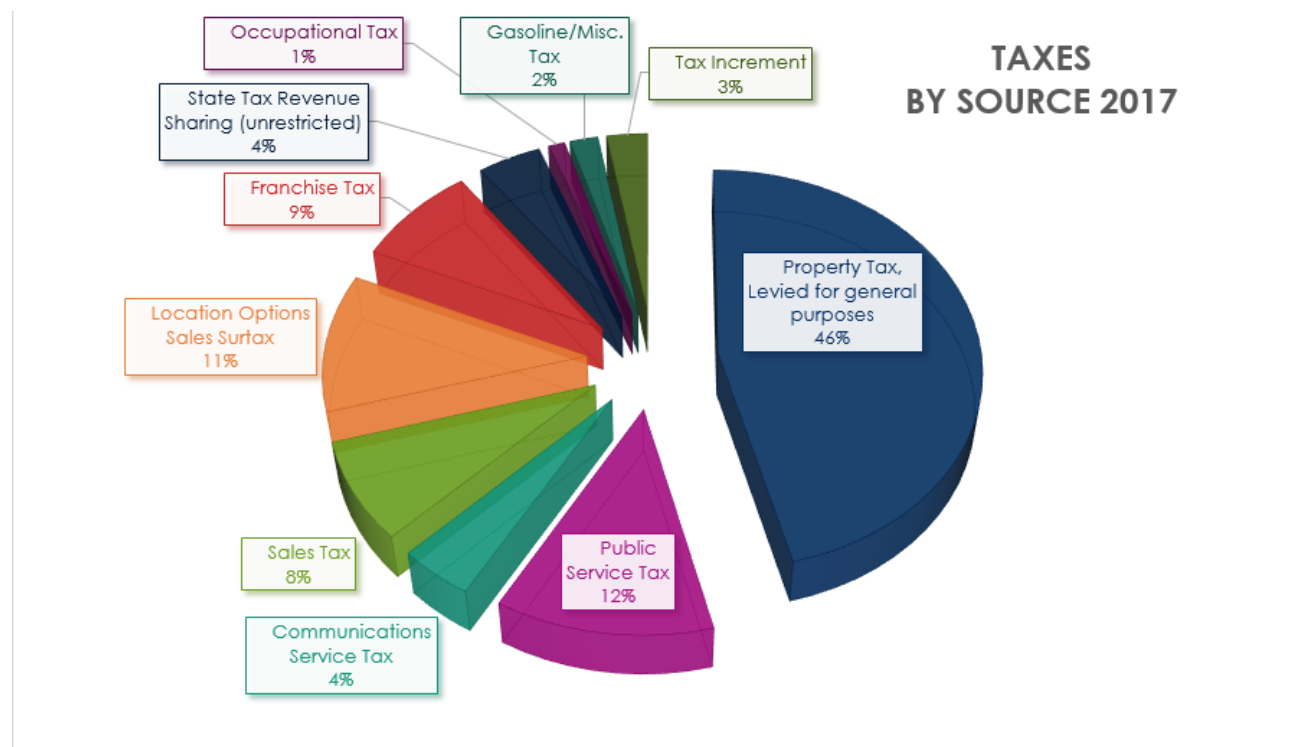
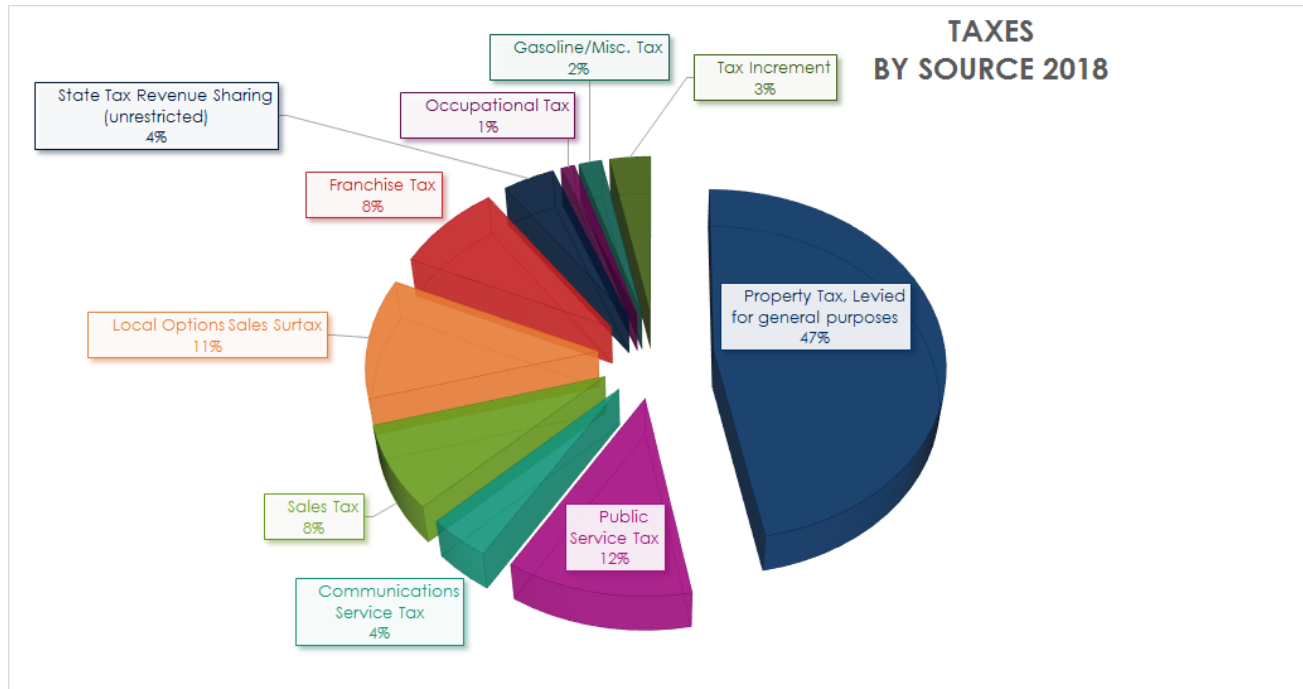
Revenues by Source 2018 and 2017



	2018	2017
Other	6,001,762	7,401,014
Intergovernmental	76,801,228	73,214,713
Other Taxes	51,126,531	48,999,303
Property Taxes	113,481,368	104,481,680
Capital Grants and Contributions	3,616,205	6,471,582
Operating Grants and Contributions	9,143,242	10,517,539
Charges for Services	\$67,331,575	\$62,881,253

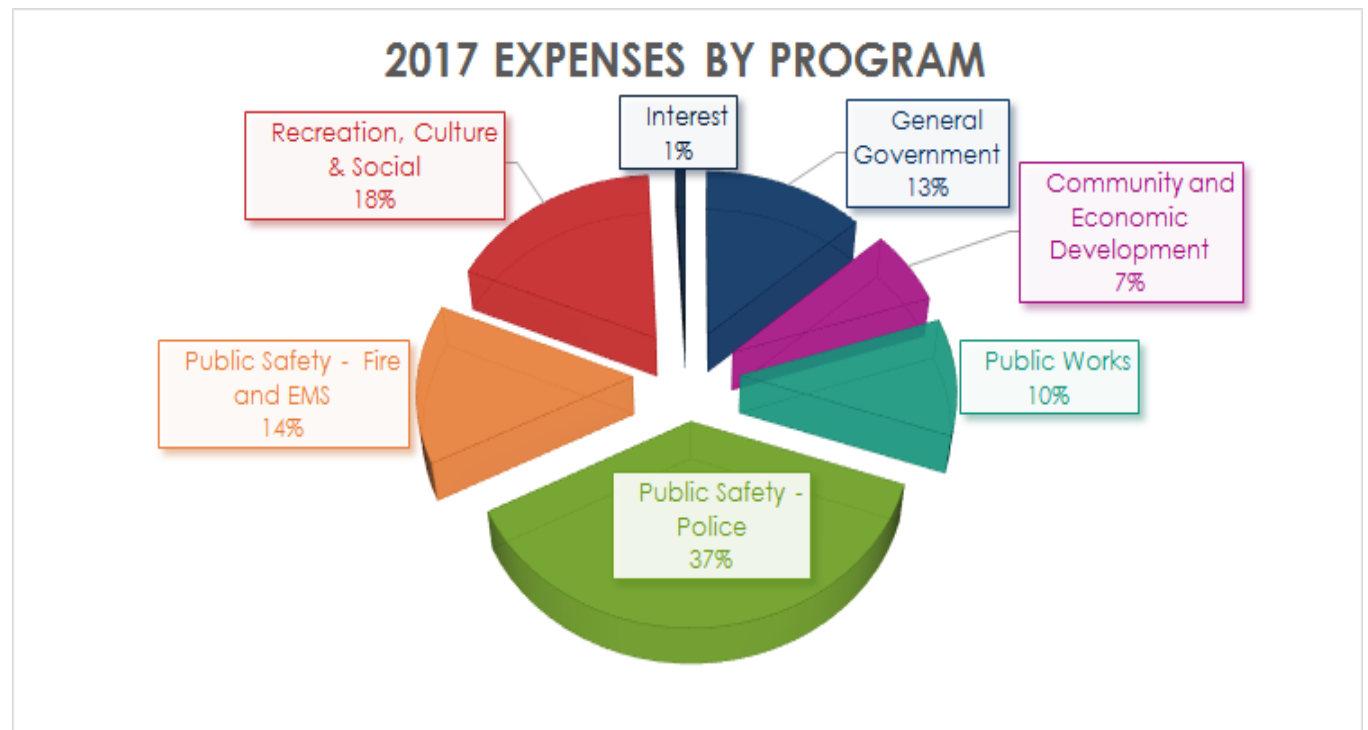
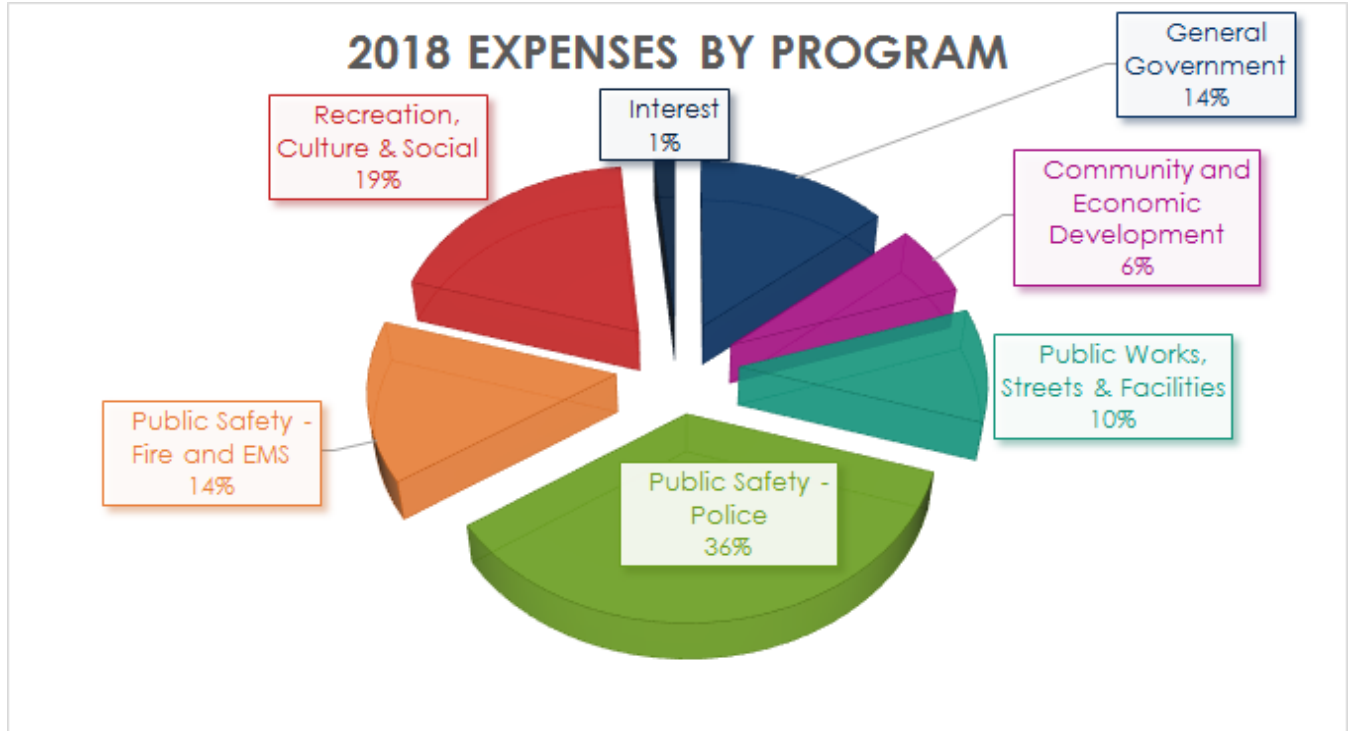
City of St. Petersburg, Florida
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A graphical breakdown of taxes by tax source for 2018 and 2017 is as follows:



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A breakdown of expenses by program for governmental activities for 2018 and 2017 (not restated) is as follows:



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The largest governmental program for the City is public safety, including the police and fire departments, which account for half (50%) of all governmental program expense in 2018 (51% in 2017). Recreation, cultural & social, and general government are the next largest program expenses at 19% and 14%, respectively, of total governmental program expense for the current fiscal year. Public works, streets & facilities was 10% of total governmental program expense, community and economic development were 6%, and interest was 1% for 2018.

Program expenses for governmental activities totaled \$312.4 million in 2018, which is an increase of \$3.2 million (1.0%) over the total of \$309.2 million in the prior year. The largest governmental program expense for the City relates to public safety, including the police and fire departments, which accounts for \$ 155.7 million, or 49.8% (\$158.2 million or 51.2% in 2017) of total governmental program expense for 2018. Within public safety, the police department had a reduction in program expense during the current fiscal year, declining from \$114.9 million in 2017 to 112.0 million in 2018, due to a certain storm and other one-time expenses during 2017 as compared to the current fiscal year. Public safety - fire and EMS related expense increased slightly during 2018 from \$43.3 million to \$43.7 million due to increases in salaries and benefits. General government increased from \$41.2 million in 2017 to \$43.1 in 2018 due to increases in salaries and benefits, as well as expense paid from the BP Horizon settlement proceeds received in 2016 and actually expended during the current fiscal year. Recreation, Social & Culture increased from \$55.0 million in 2017 to \$ 59.0 million in 2018, or \$4.0 million relating to certain expenses relating to storm debris cleanup from Hurricane Irma expended during 2018 as compared to 2017. Interest on long term debt increased in the current year (\$2.5 million in 2017 as compared to \$4.6 million in 2017) due to issuing new governmental debt with interest payments due and payable during 2018.

Business-Type Activities

Business-type activities change in net position before transfers was \$24.4 million during 2018, as compared to \$12.8 million during 2017. The change was attributable to increased program revenues, primarily relating from increases in customer charges for services relating to the City's utilities in which formal rate studies have been adopted to provide revenues to cover additional debt burden for projects underway and planned for the near future.

Charges for services increased by \$15.2 million (7.6%) during 2018, 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 revenues that were in recognized in prior year. Total business-type activities revenues increased \$18.0 million, or 8.4% from the prior year.

Total business-type activities program expenses increased from \$201.0 million in 2017 to \$207.3 (3.2%). Water and wastewater utility program expense totaled \$122.4 million

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in 2018, as compared to \$115.3 million in 2017, or an increase of \$7.1 million due to increased operating costs during the current fiscal year. Stormwater had a \$1.8 million increase in program expense during the current fiscal year as compared to 2017 due to increased operational costs and maintenance. Sanitation had a decrease of \$2.2 million (5.2%) in expense due to a reduction in operating costs, 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 \$282.0 million. Of that amount, \$6.4 million was nonspendable, \$174.5 million was restricted, \$54.9 million was committed, \$17.3 million was assigned, and \$ 28.9 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, 2018, of \$67.4 million, with \$5.9 million nonspendable, \$32.6 million committed, and \$28.9 million was unassigned (See Note 3).

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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 12% of the total General Fund expenditures as compared to 10% in the prior year. The total General Fund balance is maintained at 28% of total General Fund expenditures at year-end, as compared to 28% in 2017.

The General Fund excess of revenue and other sources over expenditures and other uses was \$3.1 million for the current fiscal year (\$1.9 million in 2017) due to:

- Revenues of \$237.0 million (\$223.6 million in 2017) compared to total expenditures of \$239.3 million (\$229.1 million in 2017) resulted in a deficiency of revenues over expenditures of \$2.3 million (\$5.5 million in 2017).
- Transfers-in of \$20.0 million (\$18.6 million in 2017) as compared to transfers out of \$14.6 million (\$11.2 million in 2017).

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

	Community Redevelopment Districts		Downtown Redevelopment District		Local Option Sales Surtax Improvement	
	2018	2017	2018	2017	2018	2017
Revenues and Other Sources	\$ 3,322	\$ 2,307	\$ 14,784	\$ 12,820	\$ 27,342	\$ 30,550
Expenses and Other Uses	-	2,219	17,418	5,989	30,762	27,915
Increase (decrease) in Fund Balances	\$ 3,322	\$ 88	\$ (2,634)	\$ 6,831	\$ (3,420)	\$ 2,635

	General CIP Fund		Grants Fund	
	2018	2017	2018	2017
Revenues and Other Sources	\$ 20,120	\$ 58,281	\$ 3,151	\$ 3,239
Expenses and Other Uses	63,968	13,157	3,297	3,000
Increase (decrease) in Fund Balances	\$ (43,848)	\$ 45,124	\$ (146)	\$ 239

As can be seen above, there was an increase in fund balance for the Community Redevelopment Districts as revenues were received for future planned investments, of the other major funds, while the remaining major funds saw use of fund balance as planned to fund construction and other projects as per the capital improvement plan.

Further detail regarding these major governmental funds can be found on pages 60 through 67.

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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 68 through 75. Detail on the non-major enterprise funds can be found on pages 227 through 233.

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

	Water Resources		Stormwater		Sanitation		Tropicana Field	
	2018	2017*	2018	2017*	2018	2017*	2018	2017*
Revenues and Other Sources	\$ 148,890	\$ 134,994	\$ 24,142	\$ 20,991	\$ 45,315	\$ 45,374	\$ 2,583	\$ 2,874
Expenses and Other Uses	136,131	127,071	20,831	18,165	46,236	44,969	5,638	6,293
Incr. (decr.) in Net Position	\$ 12,759	\$ 7,923	\$ 3,311	\$ 2,826	\$ (921)	\$ 405	\$ (3,055)	\$ (3,419)

*Fiscal year 2017 not restated for GASB 75 implementation.

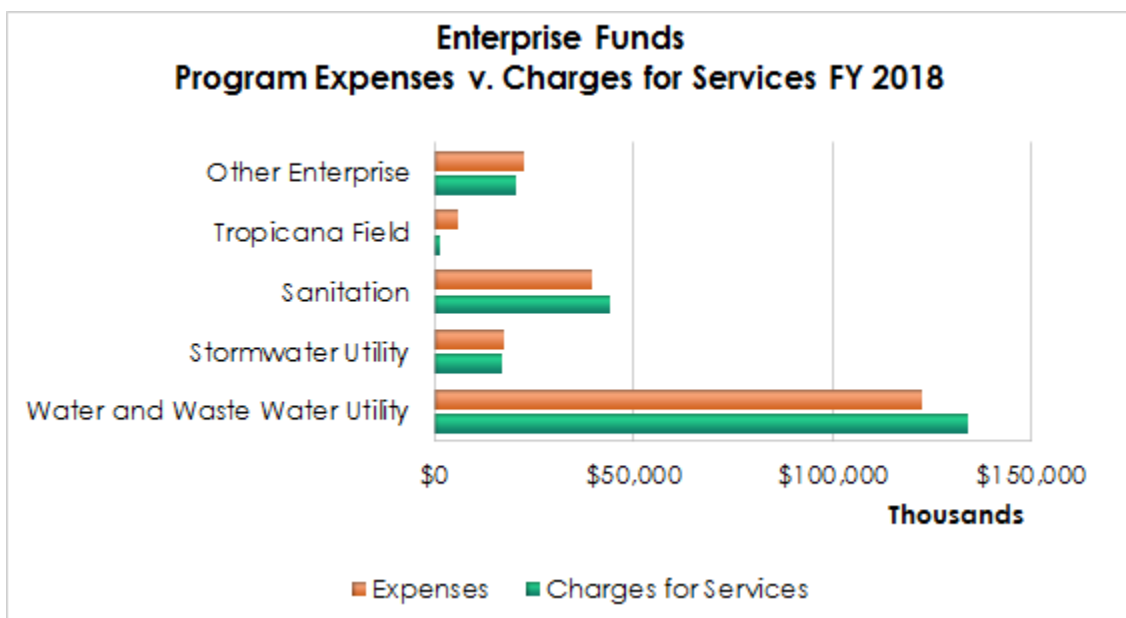
Water Resources increase in net position during the current fiscal year relates to the continued increase in water, wastewater, and reclaimed water rates that will be used to fund the ongoing infrastructure improvements and increased cost of operations. Rate increases were implemented to fund significant capital requirements due to the consent order executed by the City with the Florida Department of Environmental Protection (FDEP) requiring system improvements to prevent discharge of untreated wastewater during significant rain events. While the rates increased during 2018, the capital projects were funded by bonds and loans, so the timing of the revenues were required before the actual repayment of the debt proceeds.

Stormwater had an increase in revenue due to the increase in stormwater fees that will allow stormwater to fund upcoming debt service payments and capital improvements. Stormwater expenses increased during 2018 due to additional maintenance and operational costs as compared to the prior year. Sanitation results showed a slight decline in revenues due to the reduction of recycling material sales, however operating expenses were reduced from 2017 due to operating efficiencies achieved as compared to the prior year.

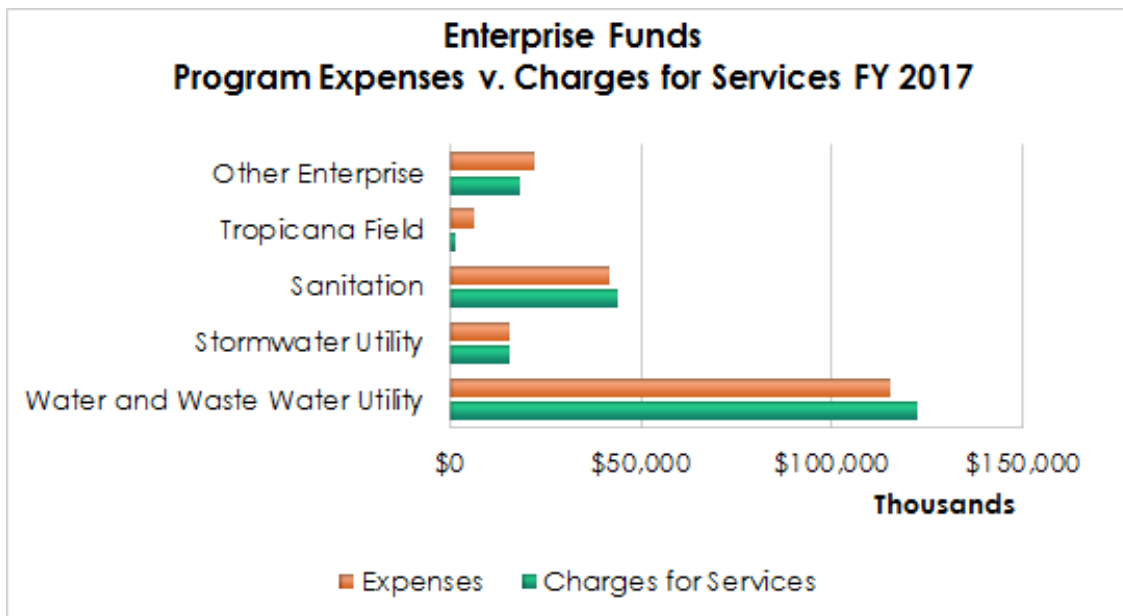
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Tropicana Field was consistent to the prior year change, with a small increase in revenue and other sources, resulting in a reduction of net position of \$3.1 million, slightly less than the prior fiscal year reduction of \$3.4 million.

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 and Water Resources had user charges greater than expenses for 2018, while the other enterprise funds had program expenses exceeding charges for services for the current fiscal year.



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For the City's largest Enterprise Funds, Water Resources, and Sanitation program revenues exceeded program expense, including depreciation expense, and resulted in a surplus from operations. Stormwater and 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	\$ 134.3	\$ 17.0	\$ 44.0	\$ 1.2
Operating Expenses	106.1	18.3	41.9	5.6
Operating Income (Loss)	28.2	(1.3)	2.1	(4.4)
NonOperating Revenues (Expenses)	(9.8)	(0.2)	0.7	0.0
Income (Loss) Before Contributions and Transfers	18.5	(1.5)	2.9	(4.4)
Transfers and Contributions	(5.7)	4.8	(3.8)	1.3
Change in Net Position	\$ 12.8	\$ 3.3	\$ (0.9)	\$ (3.1)
Net Position October 1, Restated	331.0	111.8	4.9	84.0
Net Position September 30	\$ 343.8	\$ 115.1	\$ 4.0	\$ 81.0

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, except for Stormwater which had an increase in expense for 2018 as depreciation expense increased by \$1.1 million over Restated 2017 due to certain capital projects being placed into service.

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The internal service funds are, for the most part, supported through charges to other funds. The individual internal service funds are reported on pages 235 through 241.

GENERAL FUND BUDGETARY HIGHLIGHTS

During 2018, the original adopted budget projected \$232.8 million in revenues, \$235.9 million in expenditures, \$8.8 in net other sources, resulting in projected revenues and other sources would be in excess of revenues over expenditures and other uses by \$5.7 million. The final approved budget reflected a projected deficiency in revenues of \$9.6 million due to budget amendments to recognize additional investments relating to each program. Comparing the original budget for expenditures of \$235.9 million, where the final approved budget was \$253.4 million, there were \$17.5 million in additional appropriations.

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

- \$ 2.8 million for storm (Hurricane Irma) debris removal costs
- \$ 1.5 million from remaining BP funds for citywide tree planting project
- \$ 0.6 million for the Cross Bay Ferry interlocal agreements
- \$ 0.5 million for the summer food program grant
- \$ 0.3 million for the Tangerine Plaza operations
- \$ 0.3 million for the St Petersburg History Museum agreement
- \$ 0.2 million for health in all policies grant and community service grant
- \$ 0.2 million for police overtime grants
- \$ 0.1 million for recreation related grants
- \$ 0.1 million for MLK parade and events
- \$ 0.1 for additional technology projects

Actual expenditures were \$244.9 million, or \$8.5 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 appropriated during 2016, 2017 and 2018.

Actual results report a \$ 1.4 million deficiency of revenues and other sources over expenditures and other uses, due to actual expenditures for storm related efforts and debris removal expended during 2018 that have been submitted for FEMA reimbursement but not yet recognized as revenue until further approvals are received for reimbursement eligibility. Public Works slightly exceeded their appropriation authority during 2018 due to the timing of recording of expenditures after the preliminary closing of the fiscal year.

Additional budget to actual information for the City's general fund is on page 64.

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CAPITAL ASSETS

The City has invested \$1.4 billion in capital assets (net of depreciation). Approximately 29.8% 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	
	2018	2017	2018	2017	2018	2017
Land	\$ 120,615	\$ 120,615	\$ 29,789	\$ 29,789	\$ 150,404	\$ 150,404
Buildings & Systems Improvements &	61,435	63,389	140,645	144,708	202,080	208,097
Infrastructure	140,755	149,577	24,882	24,229	165,637	173,806
Machinery & Equipment	26,026	25,738	21,012	17,382	47,038	43,120
Utility Systems	-	-	659,560	611,828	659,560	611,828
Construction in Progress	72,467	18,029	116,048	86,148	188,515	104,177
Totals	<u>\$ 421,298</u>	<u>\$ 377,348</u>	<u>\$ 991,936</u>	<u>\$ 914,084</u>	<u>\$ 1,413,234</u>	<u>\$ 1,291,432</u>

Additional information on the City's capital assets can be found in Note 8 beginning on page 120.

LONG-TERM OBLIGATIONS

For fiscal year ended September 30, 2018, the City had total debt outstanding of \$716.2 million (\$595.4 million in 2017). Of this amount, \$63.1 million of note debt is backed by a covenant pledge to budget and appropriate from non-ad valorem revenue sources, and \$584.5 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	
	2018	2017	2018	2017	2018	2017
Revenue Bonds	\$ 68,570	\$ 70,650	\$ 408,220	\$ 414,895	\$ 476,790	\$ 485,545
Revenue Notes	-	-	176,306	33,539	176,306	33,539
Covenant Notes	55,732	65,251	7,360	9,190	63,092	74,441
Total	<u>\$ 124,302</u>	<u>\$ 135,901</u>	<u>\$ 591,886</u>	<u>\$ 457,624</u>	<u>\$ 716,188</u>	<u>\$ 593,525</u>

The City of St. Petersburg's Governmental Activities and Business-Type Activities debt had an increase of \$144.7 million during the current fiscal year due to debt issuances and drawdowns and had \$22.0 million related to principal reductions.

The City maintains a rating of Aa3 on non ad-valorem governmental debt (Aa2 issuer rating) from Moody's; and an AA+ issuer rating from Fitch. For the Public Utility System

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comprising of the Water Resources and Stormwater operations, the utility has an Aa2 Moody's Rating, and an AA Fitch Rating.

Currently the City has no general obligation debt and, 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 127.

PENSIONS AND RETIREE HEALTHCARE

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 140.

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 174-182. The Schedule of Changes in the City's Net Pension Liability and Related Ratios beginning on page 175, show that during 2018, the plan fiduciary net position and as a percentage of total pension liability for ERS was 95.0%(93.6% in 2017), Fire was 109.2% (112.6% in 2017), and for Police was 93.2% (92.6%in 2017). The Net pension liability as a percentage of covered employee payroll for 2018 was 28.6% for ERS (37.1% in 2017), and Police was 84.6% (92.8% in 2017). Fire maintained a net pension asset as a percentage of covered employee payroll in 2018 of 117.0 % as compared to 180.0% in 2017.

The City also maintains a Defined Contribution Plan described on Note 19, page 162, where the City contributes 11% of employees' gross wages to the plan.

During the current fiscal year the City implemented GASB 75 relating to Other Post-Employment Benefits (OPEB) which includes retiree healthcare. Information on the restatement is included in Note 24 on pages 170 and 171. Information relating to OPEB can be found in Note 20 and the related disclosures are included on page 183 of the Required Supplementary Information. The schedule shows the OPEB Liability as of the valuation date of September 30, 2018 of \$218.9 million.

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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.

BASIC FINANCIAL STATEMENTS

City of St. Petersburg, Florida
Statement of Net Position
September 30, 2018

	Governmental Activities	Business-Type Activities	Total	Component Unit
Assets				
Cash and Cash Equivalents	\$ 78,617,590	\$ 23,671,994	\$ 102,289,584	\$ 12,337
Investments	265,010,128	144,142,650	409,152,778	57,343
Receivables - Net of Allowance for Uncollectibles	19,100,882	21,087,044	40,187,926	-
Internal Balances	15,826,512	(15,826,512)	-	-
Due from Other Governmental Agencies	15,536,860	25,837,438	41,374,298	-
Inventories	1,608,971	2,649,249	4,258,220	-
Property Held for Resale	4,336,792	-	4,336,792	-
Prepays and Deposits	4,428,746	71,697	4,500,443	-
Contract Receivable from Other Governmental Agency	-	12,905,631	12,905,631	-
Restricted Assets:				
Cash and Cash Equivalents	24,763,175	34,928,862	59,692,037	-
Investments	30,309,948	124,802,587	155,112,535	-
Net Pension Asset	29,246,500	-	29,246,500	-
Capital Assets, Not Depreciable:				
Land	120,614,642	29,789,081	150,403,723	-
Construction in progress	72,467,071	116,048,066	188,515,137	-
Capital Assets, Depreciable, Net:				
Buildings and Systems	61,435,340	140,644,555	202,079,895	-
Improvements other than Buildings	140,754,797	24,882,185	165,636,982	-
Machinery and Equipment	26,025,796	21,011,868	47,037,664	-
Utility Systems	-	659,559,617	659,559,617	-
Total Assets	910,083,750	1,366,206,012	2,276,289,762	69,680
Deferred Outflows of Resources				
Deferred Amount on Debt Refunding	595,854	9,421,834	10,017,688	-
Deferred Outflow of Pension Resources	49,261,150	8,919,827	58,180,977	-
Deferred Outflow of OPEB Resources	4,943,259	1,465,741	6,409,000	-
Total Deferred Outflows of Resources	54,800,263	19,807,402	74,607,665	-
Liabilities				
Accounts Payable and Other Current Liabilities	34,534,499	18,470,097	53,004,596	-
Accrued Interest Payable	1,547,756	9,579,542	11,127,298	-
Due to Other Governmental Agencies	4,108,980	4,302,754	8,411,734	-
Unearned Revenue	1,599,776	16,957	1,616,733	-
Deposits	9,464,105	4,384,793	13,848,898	-
Liabilities Payable from Restricted Assets:				
Noncurrent Liabilities:				
Due within One Year	25,090,851	133,640,664	158,731,515	-
Due in more than One Year	179,483,340	475,355,382	654,838,722	-
Net Pension Liability	51,128,028	10,199,483	61,327,511	-
OPEB liability	168,830,369	50,060,409	218,890,778	-
Total Liabilities	475,787,704	706,010,081	1,181,797,785	-
Deferred Inflows of Resources				
Deferred Inflows of Pension Resources	27,900,481	7,138,923	35,039,404	-
Deferred Inflows from OPEB Resources	18,781,114	5,568,844	24,349,958	-
Total Deferred Inflows of Resources	46,681,595	12,707,767	59,389,362	-
Net Position				
Net Investment in Capital Assets	345,541,833	517,908,073	863,449,906	-
Restricted for:				
Expendable				
Public Works - Transportation Projects	12,983,710	-	12,983,710	-
Police Programs	1,043,080	-	1,043,080	-
Grant Funded Programs	3,976,570	-	3,976,570	-
Debt Service	3,609,890	19,662,021	23,271,911	-
Nonexpendable				
Culture and Recreation	426,190	-	426,190	-
Pension	29,246,500	-	29,246,500	-
Unrestricted	45,586,941	129,725,472	175,312,413	69,680
Total Net Position	\$ 442,414,714	\$ 667,295,566	\$ 1,109,710,280	\$ 69,680

The accompanying notes are an integral part of these statements.

City of St. Petersburg, Florida
Statement of Activities
Fiscal Year Ended September 30, 2018

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
Primary Government:									
Governmental Activities:									
General Government	\$ 43,099,098	\$ 27,160,043	\$ 24,254	\$ 125,000	\$ 27,309,297	\$ (15,789,801)	\$ -	\$ (15,789,801)	\$ -
Community and Economic Development	19,064,106	11,362,654	408,249	2,388,561	14,159,464	(4,904,642)	-	(4,904,642)	-
Police	111,987,229	5,698,736	110,763	-	5,809,499	(106,177,730)	-	(106,177,730)	-
Fire and EMS	43,710,855	15,228,221	844,690	-	16,072,911	(27,637,944)	-	(27,637,944)	-
Public Works, Streets and Facilities	30,872,449	1,158,126	832,850	656,348	2,647,324	(28,225,125)	-	(28,225,125)	-
Recreation, Culture and Social	59,010,192	6,723,795	6,843,187	446,296	14,013,278	(44,996,914)	-	(44,996,914)	-
Interest on Long-Term Debt	4,643,321	-	79,249	-	79,249	(4,564,072)	-	(4,564,072)	-
Total Governmental Activities	312,387,250	67,331,575	9,143,242	3,616,205	80,091,022	(232,296,228)	-	(232,296,228)	-
Business-type Activities:									
Water and Waste Water Utility	122,358,658	134,294,599	3,842,318	-	138,136,917	-	15,778,259	15,778,259	-
Stormwater Utility	17,575,741	16,997,103	44,819	1,669,152	18,711,074	-	1,135,333	1,135,333	-
Sanitation	39,500,349	43,975,146	489,634	48,714	44,513,494	-	5,013,145	5,013,145	-
Tropicana Field	5,614,578	1,244,539	-	-	1,244,539	-	(4,370,039)	(4,370,039)	-
Airport	1,715,124	1,170,543	-	1,170,582	2,341,125	-	626,001	626,001	-
Port	983,593	257,610	-	-	257,610	-	(725,983)	(725,983)	-
Marina	3,258,748	3,837,891	-	80,462	3,918,353	-	659,605	659,605	-
Golf Courses	3,851,423	3,377,049	-	-	3,377,049	-	(474,374)	(474,374)	-
Jamestown Complex	792,270	589,778	-	-	589,778	-	(202,492)	(202,492)	-
Parking	6,601,604	8,541,206	-	-	8,541,206	-	1,939,602	1,939,602	-
Mahaffey	2,195,434	146,434	7,881	-	154,315	-	(2,041,119)	(2,041,119)	-
Pier	233,490	-	-	-	-	-	(233,490)	(233,490)	-
Coliseum	933,056	729,666	-	-	729,666	-	(203,390)	(203,390)	-
Sunken Gardens	1,729,033	1,579,590	995,217	-	2,574,807	-	845,774	845,774	-
Total Business-type Activities	207,343,101	216,741,154	5,379,869	2,968,910	225,089,933	-	17,746,832	17,746,832	-
Total Primary Government	\$ 519,730,351	\$ 284,072,729	\$ 14,523,111	\$ 6,585,115	\$ 305,180,955	(232,296,228)	17,746,832	(214,549,396)	-
Component Unit									
St Petersburg Health Facilities Authority	967	-	-	-	-	-	-	-	(967)
Total Component Unit	\$ 967	\$ -	\$ -	\$ -	\$ -				(967)
General Revenues:									
Taxes									
Property Tax, Levied for general purposes						113,481,368	-	113,481,368	-
Public Service Tax						28,476,230	-	28,476,230	-
Occupational Tax						2,563,310	-	2,563,310	-
Franchise Tax						20,086,991	-	20,086,991	-
Intergovernmental									
Communication Service Tax						9,713,785	-	9,713,785	-
Sales Tax						18,946,004	-	18,946,004	-
Local Option Sales Surtax						26,762,676	-	26,762,676	-
State Tax Revenue Sharing (unrestricted)						9,602,861	-	9,602,861	-
Gasoline Tax						3,541,715	-	3,541,715	-
Tax Increment						7,545,945	-	7,545,945	-
Miscellaneous Taxes						688,242	-	688,242	-
Earnings on investments						2,911,285	5,903,829	8,815,114	131
Gain on sale of capital assets						830,236	260,838	1,091,074	-
Miscellaneous income						2,260,241	447,559	2,707,800	-
Transfers						(17,125,207)	17,125,207	-	-
Total General Revenues and Transfers						230,285,682	23,737,433	254,023,115	131
Change in Net Position						(2,010,546)	41,484,265	39,473,719	(836)
Net Position - October 1 (Restated)						444,425,260	625,811,301	1,070,236,561	70,516
Net Position - September 30						\$ 442,414,714	\$ 667,295,566	\$ 1,109,710,280	\$ 69,680

The accompanying notes are an integral part of these statements.

City of St. Petersburg, Florida
Balance Sheet
Governmental Funds
September 30, 2018

	Major Funds		
	General Fund	Community Redevelopment Districts	Downtown Redevelopment District
Assets			
Cash and Cash Equivalents	\$ 11,067,694	\$ 3,352,356	\$ 1,544,381
Investments	48,148,252	4,798,054	18,177,432
Restricted Cash	-	-	-
Restricted Investments	-	-	-
Receivables:			
Accounts	1,510,076	-	-
Taxes	4,796,923	-	-
Accrued Interest	-	-	-
Notes	-	-	-
Assessments	39,190	-	-
Due from Other Funds	956,155	-	-
Due from Other Governmental Agencies:			
Grants and Cost Reimbursement	739,982	-	-
State of Florida - Shared Revenue	4,312,164	-	-
Pinellas County - Shared Revenue	879,535	-	-
Pinellas County - Services	179,882	-	-
Pinellas County - Fines	41,649	-	-
Inventory	93,005	-	-
Prepaid Costs and Deposits	1,612,454	-	-
Advances to Other Funds	4,191,993	-	-
Total Assets	78,568,954	8,150,410	19,721,813
Liabilities, Deferred Inflows of Resources and Fund Balances			
Liabilities			
Vouchers and Accounts Payable	2,197,522	-	-
Accrued Salaries	5,969,138	-	-
Other Accrued Liabilities	57,455	-	-
Retainage on Contracts	9,822	-	-
Due to Other Governmental Agencies	218,767	-	-
Due to Other Funds	-	-	-
Deposits	555,873	-	-
Total Liabilities	9,008,577	-	-
Deferred Inflows of Resources			
Deferred Inflows from Assessments	1,662	-	-
Deferred Inflows from Notes Receivable	-	-	-
Deferred Inflows from Advanced Grant Receipts	134,701	-	-
Deferred Inflows from Future Revenues	2,060,432	-	-
Total Deferred Inflows of Resources	2,196,795	-	-
Fund Balances			
Non-Spendable	5,897,452	-	-
Restricted	-	8,150,410	19,721,813
Committed	32,551,839	-	-
Assigned	-	-	-
Unassigned	28,914,291	-	-
Total Fund Balances	67,363,582	8,150,410	19,721,813
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 78,568,954	\$ 8,150,410	\$ 19,721,813

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
\$ 13,531,847	\$ 23,606,001	\$ 661,578	\$ 9,150,937	\$ 62,914,794
50,140,167	-	861,380	45,989,575	168,114,860
-	21,153,285	-	3,609,890	24,763,175
-	30,309,948	-	-	30,309,948
23,541	5,074	444,075	407,296	2,390,062
-	-	-	-	4,796,923
-	34,379	-	-	34,379
-	-	4,809,551	6,649,425	11,458,976
-	-	-	-	39,190
-	-	-	-	956,155
-	2,769,318	222,983	23,526	3,755,809
-	-	-	-	4,312,164
6,325,229	-	-	-	7,204,764
-	-	-	29,584	209,466
-	-	-	3,266	44,915
-	-	-	-	93,005
-	-	-	63,026	1,675,480
-	-	-	-	4,191,993
<u>70,020,784</u>	<u>77,878,005</u>	<u>6,999,567</u>	<u>65,926,525</u>	<u>327,266,058</u>
4,205,218	9,868,998	78,739	902,404	17,252,881
68,488	10,324	33,067	546,424	6,627,441
-	-	69,016	8,560	135,031
3,110,956	1,989,618	-	48,066	5,158,462
-	-	-	444,175	662,942
-	-	-	16,171	16,171
-	-	-	265,804	821,677
<u>7,384,662</u>	<u>11,868,940</u>	<u>180,822</u>	<u>2,231,604</u>	<u>30,674,605</u>
-	-	-	-	1,662
-	-	4,809,551	6,649,425	11,458,976
-	-	-	-	134,701
23,541	5,074	441,146	509,787	3,039,980
<u>23,541</u>	<u>5,074</u>	<u>5,250,697</u>	<u>7,159,212</u>	<u>14,635,319</u>
-	-	-	489,216	6,386,668
62,612,581	51,463,233	1,568,048	31,024,012	174,540,097
-	13,591,613	-	8,705,868	54,849,320
-	949,145	-	16,318,799	17,267,944
-	-	-	(2,186)	28,912,105
<u>62,612,581</u>	<u>66,003,991</u>	<u>1,568,048</u>	<u>56,535,709</u>	<u>281,956,134</u>
<u>\$ 70,020,784</u>	<u>\$ 77,878,005</u>	<u>\$ 6,999,567</u>	<u>\$ 65,926,525</u>	<u>\$ 327,266,058</u>

City of St. Petersburg, Florida
*Reconciliation of the Balance Sheet of Governmental Funds to
the Statement of Net Position
September 30, 2018*

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

Fund balances - total governmental funds	\$ 281,956,134
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.	410,456,345
Property held for resale in governmental activities are not financial resources and are therefore not reported in governmental funds.	4,336,792
Net pension assets in governmental activities are not financial resources and are therefore not reported in governmental funds.	29,246,500
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	595,854
Deferred outflow of resources related to pension plans	49,261,150
Deferred outflow of OPEB	4,943,259
Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	
Notes receivable	11,353,976
Assessments	1,662
Unbilled accrued interest on assessments	90,951
Accounts Receivable	513,205
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	(68,570,000)
Unamortized bond premium	(3,512,056)
Notes payable	(55,732,000)
Contingent Liability	(1,488,729)
HUD Liability	(2,240,615)
Compensated absences	(14,292,837)
OPEB Liability	(168,830,369)
Accrued interest payable on notes and bonds	(1,547,756)
Police Supplemental Payments Liability	(1,061,000)
Net Pension Liability	(51,128,028)
Deferred inflow of resources related to pension plans	(27,900,481)
Deferred inflow of resources related to OPEB	(18,781,114)
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	54,049,336
Consolidation adjustment to enterprise funds	10,694,535
Net Position of Governmental Activities.	<u>\$ 442,414,714</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, 2018

	Major Funds		
	General Fund	Community Redevelopment Districts	Downtown Redevelopment District
Revenues			
Taxes	\$ 136,131,669	\$ -	\$ -
Public Service Tax	28,476,230	-	-
Licenses and Permits	309,138	-	-
Fines and Forfeitures	2,609,934	-	-
Charges for Services and User Fees	14,253,222	-	-
Charges for General Administration	7,193,880	-	-
Intergovernmental Revenue:			
Federal, State and Other Grants	4,033,596	-	-
State - Sales Tax	16,946,000	-	-
State - Revenue Sharing	10,032,005	-	-
State - Communication Service Tax	9,713,785	-	-
State - Other	596,559	-	-
Pinellas County - Gasoline Tax	3,541,715	-	-
Pinellas County - Sales Tax	-	-	-
Pinellas County - Tax Increment	-	1,413,250	6,132,695
Total	<u>44,863,660</u>	<u>1,413,250</u>	<u>6,132,695</u>
Use of Money and Property:			
Earnings on Investments	790,643	(6,960)	12,728
Rentals	1,529,535	-	-
Total	<u>2,320,178</u>	<u>(6,960)</u>	<u>12,728</u>
Miscellaneous:			
Contributions	72,715	-	-
Assessments	16,851	-	-
Dispositions of Property	150,690	-	-
Other	568,240	-	-
Total	<u>808,496</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>236,966,407</u>	<u>1,406,290</u>	<u>6,145,423</u>
Expenditures			
Current Operations:			
General Government	26,105,285	-	-
Community and Economic Development	11,857,486	-	-
Public Works	10,654,942	-	-
Public Safety:			
Police	106,794,047	-	-
Fire and EMS	33,277,057	-	-
Recreation, Culture and Social	47,753,466	-	-
Debt Service:			
Principal Payments	-	-	-
Interest Payments	-	-	-
Remarketing and Other Fees	-	-	-
Capital Outlay	2,847,597	-	-
Total Expenditures	<u>239,289,880</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,323,473)</u>	<u>1,406,290</u>	<u>6,145,423</u>
Other Financing Sources (Uses)			
Transfers In	19,972,831	1,915,652	8,638,634
Transfers Out	(14,587,312)	-	(17,417,570)
Total Other Financing Sources (Uses)	<u>5,385,519</u>	<u>1,915,652</u>	<u>(8,778,936)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>3,062,046</u>	<u>3,321,942</u>	<u>(2,633,513)</u>
Fund Balances - October 1	<u>64,301,536</u>	<u>4,828,468</u>	<u>22,355,326</u>
Fund Balances - September 30	<u>\$ 67,363,582</u>	<u>\$ 8,150,410</u>	<u>\$ 19,721,813</u>

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
\$ -	\$ -	\$ -	\$ -	\$ 136,131,669
-	-	-	-	28,476,230
-	-	-	6,525,263	6,834,401
-	-	-	627,022	3,236,956
-	79,926	-	14,981,568	29,314,716
-	-	-	-	7,193,880
-	4,268,643	2,702,817	1,275,746	12,280,802
-	-	-	2,000,004	18,946,004
-	-	-	-	10,032,005
-	-	-	-	9,713,785
-	-	-	44,760	641,319
-	-	-	-	3,541,715
26,762,676	-	-	-	26,762,676
-	-	-	-	7,545,945
<u>26,762,676</u>	<u>4,268,643</u>	<u>2,702,817</u>	<u>3,320,510</u>	<u>89,464,251</u>
117,446	828,494	41,818	805,737	2,589,906
-	-	93,030	-	1,622,565
<u>117,446</u>	<u>828,494</u>	<u>134,848</u>	<u>805,737</u>	<u>4,212,471</u>
-	125,000	-	244,044	441,759
-	-	-	1,306,612	1,323,463
-	-	1	106,543	257,234
-	855,074	313,687	971,224	2,708,225
-	980,074	313,688	2,628,423	4,730,681
<u>26,880,122</u>	<u>6,157,137</u>	<u>3,151,353</u>	<u>28,888,523</u>	<u>309,595,255</u>
-	-	-	112,189	26,217,474
-	-	-	6,005,618	17,863,104
-	-	-	-	10,654,942
-	-	-	502,846	107,296,893
-	-	-	12,933,320	46,210,377
-	-	2,834,597	2,104,359	52,692,422
-	-	-	11,599,000	11,599,000
-	-	-	3,633,497	3,633,497
-	-	-	2,443	2,443
29,792,856	63,958,894	-	5,563,230	102,162,577
<u>29,792,856</u>	<u>63,958,894</u>	<u>2,834,597</u>	<u>42,456,502</u>	<u>378,332,729</u>
<u>(2,912,734)</u>	<u>(57,801,757)</u>	<u>316,756</u>	<u>(13,567,979)</u>	<u>(68,737,474)</u>
461,885	13,962,770	-	17,335,771	62,287,543
(968,885)	(8,803)	(462,814)	(10,008,891)	(43,454,275)
<u>(507,000)</u>	<u>13,953,967</u>	<u>(462,814)</u>	<u>7,326,880</u>	<u>18,833,268</u>
(3,419,734)	(43,847,790)	(146,058)	(6,241,099)	(49,904,206)
66,032,315	109,851,781	1,714,106	62,776,808	331,860,340
<u>\$ 62,612,581</u>	<u>\$ 66,003,991</u>	<u>\$ 1,568,048</u>	<u>\$ 56,535,709</u>	<u>\$ 281,956,134</u>

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, 2018

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

Net change in fund balances - total governmental funds	\$ (49,904,206)
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	66,676,018
Property held for resale, reported as expenditures in governmental funds, is shown as an asset in the Statement of Net Position.	983,547
Property held for resale, recorded at lower of cost or market	(626,440)
Depreciation expense on governmental capital assets included in the governmental activities in the Statement of Net Position.	(22,554,672)
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.	11,599,000
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.	(4,550,140)
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	(1,257,126)
Notes receivable deemed uncollectible, change in allowance and written off	(1,113,647)
Assessments receivable principal	(16,919)
Unbilled accrued interest on assessments	(265)
Notes receivable from economic development activity	2,105,580
Contribution amortization on contingent liability	37,218
Accounts Receivable	164,186
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	325,995
Change in OPEB liability	(7,882,042)
Deferred inflow of OPEB resources	4,666,363
Deferred outflow of OPEB resources	276,897
Interest expense on long-term debt	70,649
Amortization of gain on debt refunding	(1,533,695)
Amortization of unamortized bond discount	455,665
Police Supplemental Payments Liability	113,000
Change in net pension liability	21,744,817
Change in net pension asset	6,761,144
Deferred inflow of pension plan resources	(19,189,520)
Deferred outflow of pension plan resources	(9,361,953)
Changes in net position of governmental activities	<u>\$ (2,010,546)</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, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
Taxes	\$ 134,623,518	\$ 134,623,518	\$ 136,131,669	\$ 1,508,151
Public Service Tax	28,416,000	28,416,000	28,476,230	60,230
Licenses and Permits	377,870	377,870	309,138	(68,732)
Fines and Forfeitures	2,669,300	2,669,300	2,609,934	(59,366)
Charges for Services and User Fees	13,830,595	14,127,596	14,253,148	125,552
Charges for General Administration	7,193,880	7,193,880	7,193,880	-
Intergovernmental Revenues				
Federal, State and Other Grants	2,951,342	4,144,532	4,033,596	(110,936)
State - Sales Tax	16,775,000	16,775,000	16,946,000	171,000
State - Revenue Sharing	9,083,932	9,083,932	10,032,005	948,073
State - Communication Service Tax	9,500,000	9,500,000	9,713,785	213,785
State - Other	590,000	590,000	596,559	6,559
Pinellas County - Gasoline Tax	3,750,000	3,750,000	3,541,715	(208,285)
Use of Money and Property				
Earnings on Investments	1,554,000	1,554,000	1,961,867	407,867
Rentals	554,677	1,104,677	1,529,535	424,858
Miscellaneous:				
Contributions	24,310	61,033	72,715	11,682
Assessments	45,000	45,000	16,851	(28,149)
Dispositions of Property	10,000	10,000	150,690	140,690
Other	829,092	829,092	568,240	(260,852)
Total Revenues	<u>232,778,516</u>	<u>234,855,430</u>	<u>238,137,557</u>	<u>3,282,127</u>
Expenditures				
General Government	25,958,366	30,357,760	27,400,619	2,957,141
Community and Economic Development	11,565,922	14,051,501	12,443,314	1,608,187
Public Works	10,592,413	10,979,561	10,990,048	(10,487)
Police	108,369,025	109,517,795	107,144,400	2,373,395
Fire and EMS	33,799,101	34,101,104	33,487,828	613,276
Recreation, Culture and Social	44,182,968	49,399,836	48,847,387	552,449
Capital Outlay	1,427,018	4,995,010	4,598,893	396,117
Total Expenditures	<u>235,894,813</u>	<u>253,402,567</u>	<u>244,912,489</u>	<u>8,490,078</u>
Excess (deficiency) of revenues over expenditures	<u>(3,116,297)</u>	<u>(18,547,137)</u>	<u>(6,774,932)</u>	<u>11,772,205</u>
Other Financing Sources (Uses)				
Transfers In	24,121,691	24,766,691	19,972,831	(4,793,860)
Transfers Out	(15,317,741)	(15,782,741)	(14,587,312)	1,195,429
Total Other Financing Sources (Uses)	<u>8,803,950</u>	<u>8,983,950</u>	<u>5,385,519</u>	<u>(3,598,431)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>5,687,653</u>	<u>(9,563,187)</u>	<u>(1,389,413)</u>	<u>8,173,774</u>
Budgetary Fund Balances - October 1	50,159,658	50,159,658	50,159,658	-
Reserve for Encumbrances - October 1, 2017	-	5,034,306	5,034,306	-
Change in Reserve for Prepaid Costs & Inventory	-	-	(482,487)	(482,487)
Change in Advances with other Funds	-	-	3,627,620	3,627,620
Budgetary Fund Balances - September 30	<u>\$ 55,847,311</u>	<u>\$ 45,630,777</u>	<u>\$ 56,949,684</u>	<u>\$ 11,318,907</u>
Reconciliation of budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			5,626,945	
Adjustment to Fund Balance for Advances			4,191,993	
Reserve for Prepaid Costs and Inventory			1,705,459	
Net Change in Fair Value of Investments			(1,110,499)	
Fund Balances - September 30			<u>\$ 67,363,582</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 - Budget and Actual
Major Special Revenue Funds
Community Redevelopment Districts
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Pinellas County - Tax Increment	\$ 1,414,441	\$ 1,414,441	\$ 1,413,250	\$ (1,191)
Earnings on Investments	71,000	71,000	91,942	20,942
Total Revenues	<u>1,485,441</u>	<u>1,485,441</u>	<u>1,505,192</u>	<u>19,751</u>
Other Financing Sources (Uses)				
Transfers In	1,916,622	1,916,638	1,915,652	(986)
Total Other Financing Sources (Uses)	<u>1,916,622</u>	<u>1,916,638</u>	<u>1,915,652</u>	<u>(986)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>3,402,063</u>	<u>3,402,079</u>	<u>3,420,844</u>	<u>18,765</u>
Budgetary Fund Balances - October 1	4,815,409	4,815,409	4,815,409	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 8,217,472</u>	<u>\$ 8,217,488</u>	<u>\$ 8,236,253</u>	<u>\$ 18,765</u>
Reconciliation of budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			(85,843)	
Fund Balances - September 30			<u>\$ 8,150,410</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 - Budget and Actual
Major Special Revenue Funds
Downtown Redevelopment District
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Pinellas County - Tax Increment	\$ 6,119,144	\$ 6,119,144	\$ 6,132,695	\$ 13,551
Earnings on Investments	287,000	287,000	405,525	118,525
Total Revenues	<u>6,406,144</u>	<u>6,406,144</u>	<u>6,538,220</u>	<u>132,076</u>
Other Financing Sources (Uses)				
Transfers In	8,654,093	8,654,093	8,638,634	(15,459)
Transfers Out	(6,007,370)	(17,417,974)	(17,417,570)	404
Total Other Financing Sources (Uses)	<u>2,646,723</u>	<u>(8,763,881)</u>	<u>(8,778,936)</u>	<u>(15,055)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>9,052,867</u>	<u>(2,357,737)</u>	<u>(2,240,716)</u>	<u>117,021</u>
Budgetary Fund Balances - October 1	<u>22,287,754</u>	<u>22,287,754</u>	<u>22,287,754</u>	<u>-</u>
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 31,340,621</u>	<u>\$ 19,930,017</u>	<u>\$ 20,047,038</u>	<u>\$ 117,021</u>
Reconciliation of budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			(325,225)	(325,225)
Fund Balances - September 30			<u>\$ 19,721,813</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 - Budget and Actual
Major Special Revenue Funds
Grants
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
Federal, State and Other Grants	\$ 2,458,158	\$ 6,459,466	\$ 2,702,817	\$ (3,756,649)
Earnings on Investments	97,000	97,000	59,941	(37,059)
Rentals	20,000	20,000	93,030	73,030
Dispositions of Property	300,000	300,000	1	(299,999)
Other	257,000	257,000	313,687	56,687
Total Revenues	<u>3,132,158</u>	<u>7,133,466</u>	<u>3,169,476</u>	<u>(3,963,990)</u>
Expenditures				
Current Operations:				
Recreation, Culture and Social	2,814,559	7,119,327	3,033,788	4,085,539
Total Expenditures	<u>2,814,559</u>	<u>7,119,327</u>	<u>3,033,788</u>	<u>4,085,539</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>317,599</u>	<u>14,139</u>	<u>135,688</u>	<u>121,549</u>
Other Financing Sources (Uses)				
Transfers Out	(297,599)	(464,581)	(462,814)	1,767
Total Other Financing Sources (Uses)	<u>(297,599)</u>	<u>(464,581)</u>	<u>(462,814)</u>	<u>1,767</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>20,000</u>	<u>(450,442)</u>	<u>(327,126)</u>	<u>123,316</u>
Budgetary Fund Balances - October 1	1,406,671	1,406,671	1,406,671	-
Reserve for Encumbrances - October 1, 2017	-	-	303,458	303,458
Change in Reserve for Prepaid Costs & Inventory	-	-	1,270	1,270
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 1,426,671</u>	<u>\$ 956,229</u>	<u>\$ 1,384,273</u>	<u>\$ 428,044</u>
Reconciliation of budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			199,191	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			(15,416)	
Fund Balances - September 30			<u>\$ 1,568,048</u>	

The accompanying notes are an integral part of these statements.

City of St. Petersburg, Florida
Statement of Net Position
Proprietary Funds
September 30, 2018

	Business-Type Activities - Enterprise Funds		
	Water Resources	Stormwater	Sanitation
Assets			
Current assets:			
Cash and Cash Equivalents	\$ 14,826,280	\$ 2,533,486	\$ 2,643,243
Investments	116,155,946	7,701,364	11,556,979
Receivables (Net, where applicable, of Allowances for Uncollectibles):			
Accounts	8,195,554	946,149	2,440,891
Accrued Interest	1,603,353	-	-
Unbilled Revenues	4,619,649	-	108,792
Due from Other Governmental Agencies:			
Grants	21,712,764	1,953,851	48,714
Services	1,795,189	-	-
Contracts	1,024,621	-	-
Inventories	2,269,674	4,052	61,284
Prepaid Expenses and Deposits	-	-	-
Total Current Assets	172,203,030	13,138,902	16,859,903
Noncurrent Assets:			
Restricted Cash and Cash Equivalents	33,163,560	546,905	1,218,397
Restricted Investments	122,380,152	-	58,883
Assessments (Net of Uncollectible)	2,230	-	2,478,647
Contract Receivable from Other Governmental Agency	11,881,010	-	-
Capital Assets:			
Land	4,332,342	4,376,053	213,944
Buildings	14,302,877	-	618,198
Improvements	2,953,538	25,533,755	115,372
Machinery and Equipment	19,153,829	12,380,047	28,722,552
Utility Systems	918,918,407	189,027,093	-
Projects in Progress	76,763,313	2,751,998	-
Accumulated Depreciation	(398,100,980)	(105,236,685)	(21,369,602)
Total Capital Assets	638,323,326	128,832,261	8,300,464
Total Noncurrent Assets	805,750,278	129,379,166	12,056,391
Total Assets	977,953,308	142,518,068	28,916,294
Deferred Outflows of Resources			
Deferred Amount on Debt Refunding	9,085,602	336,232	-
Deferred Outflows of Pension Resources	4,554,111	939,458	2,647,563
Deferred Outflows of OPEB Resources	748,349	154,375	435,058
Total Deferred Outflows of Resources	14,388,062	1,430,065	3,082,621

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	
\$ 902,728	\$ 2,766,257	\$ 23,671,994	\$ 15,702,796
176,944	8,551,417	144,142,650	96,895,268
114,046	577,733	12,274,373	1,322,401
-	-	1,603,353	-
-	-	4,728,441	-
-	324,742	24,040,071	-
-	2,178	1,797,367	9,742
-	-	1,024,621	-
-	314,239	2,649,249	1,515,966
-	71,697	71,697	2,842,495
<u>1,193,718</u>	<u>12,608,263</u>	<u>216,003,816</u>	<u>118,288,668</u>
-	-	34,928,862	-
-	2,363,552	124,802,587	-
-	-	2,480,877	-
-	-	11,881,010	-
8,523,858	12,342,884	29,789,081	1,846,640
151,640,085	104,798,159	271,359,319	15,123,620
5,462,601	58,309,399	92,374,665	3,093,519
8,351,435	8,304,214	76,912,077	12,499,549
-	-	1,107,945,500	-
-	36,532,755	116,048,066	82,789
<u>(94,205,246)</u>	<u>(83,580,823)</u>	<u>(702,493,336)</u>	<u>(21,804,816)</u>
<u>79,772,733</u>	<u>136,706,588</u>	<u>991,935,372</u>	<u>10,841,301</u>
<u>79,772,733</u>	<u>139,070,140</u>	<u>1,166,028,708</u>	<u>10,841,301</u>
<u>80,966,451</u>	<u>151,678,403</u>	<u>1,382,032,524</u>	<u>129,129,969</u>
-	-	9,421,834	-
-	778,695	8,919,827	-
-	127,959	1,465,741	-
<u>-</u>	<u>906,654</u>	<u>19,807,402</u>	<u>-</u>

City of St. Petersburg, Florida
Statement of Net Position
Proprietary Funds
September 30, 2018

	Business-Type Activities - Enterprise Funds		
	Water Resources	Stormwater	Sanitation
Liabilities			
Current Liabilities:			
Vouchers and Accounts Payable	\$ 10,194,600	\$ 617,863	\$ 806,759
Accrued Salaries	1,004,319	229,963	507,761
Accrued Annual Leave	176,990	11,456	21,502
Retainage on Contracts	4,340,864	255,339	-
Due to Other Funds	-	-	-
Due to Other Governmental Agencies	2,859,329	9,037	1,349,554
Claims - Current Portion	-	-	-
Notes Payable - Current Portion	2,000,460	-	-
Payable from Restricted Assets:			
Bonds and Notes Payable - Current Portion	129,169,000	376,000	1,260,000
Accrued Interest	9,359,167	170,905	17,280
Other Current Liabilities	-	-	-
Deposits	3,571,929	-	2,000
Unearned Revenue	-	-	-
Total Current Liabilities	162,676,658	1,670,563	3,964,856
Long-term Liabilities:			
Advance from Other Funds	-	-	-
Accrued Annual Leave less Current Portion	1,847,923	316,558	1,284,695
Notes Payable - State	54,304,305	-	-
Revenue Bonds Payable	379,519,000	19,156,000	-
Claims	-	-	-
Net Pension Liability	5,207,452	1,074,235	3,027,388
Obligation for OPEB	25,558,863	5,272,485	14,858,820
Unamortized Discount (Premium)	12,955,209	-	-
Notes Payable	-	-	1,140,000
Total Long-term Liabilities	479,392,752	25,819,278	20,310,903
Total Liabilities	642,069,410	27,489,841	24,275,759
Deferred Inflows of Resources			
Deferred Inflows of Pension Resources	3,644,852	751,889	2,118,959
Deferred Inflows of OPEB Resources	2,843,232	586,524	1,652,932
Total Deferred Inflows of Resources	6,488,084	1,338,413	3,771,891
Net Position			
Net Investment in Capital Assets	188,488,243	109,636,493	5,900,464
Restricted			
Debt Service	19,662,021	-	-
Unrestricted	135,633,612	5,483,386	(1,949,199)
Total Net Position	\$ 343,783,876	\$ 115,119,879	\$ 3,951,265

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	
\$ -	\$ 267,279	\$ 11,886,501	\$ 4,672,766
624	236,559	1,979,226	725,049
-	30,256	240,204	91,514
-	8,167	4,604,370	-
-	939,984	939,984	-
-	84,834	4,302,754	1,014,592
-	-	-	12,444,000
-	-	2,000,460	-
-	595,000	131,400,000	-
-	32,190	9,579,542	-
-	-	-	19,000
-	815,681	4,389,610	8,731,657
-	12,140	12,140	-
624	3,022,090	171,334,791	27,698,578
-	4,191,993	4,191,993	-
-	466,692	3,915,868	1,452,055
-	-	54,304,305	-
-	-	398,675,000	-
-	-	-	45,930,000
-	890,408	10,199,483	-
-	4,370,241	50,060,409	-
-	-	12,955,209	-
-	4,365,000	5,505,000	-
-	14,284,334	539,807,267	47,382,055
624	17,306,424	711,142,058	75,080,633
-	623,223	7,138,923	-
-	486,156	5,568,844	-
-	1,109,379	12,707,767	-
79,772,733	134,110,140	517,908,073	10,841,301
-	-	19,662,021	-
1,193,094	59,114	140,420,007	43,208,035
\$ 80,965,827	\$ 134,169,254	677,990,101	\$ 54,049,336
		(10,694,535)	
		\$667,295,566	

City of St. Petersburg, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
Fiscal Year Ended September 30, 2018

	Business-Type Activities - Enterprise Funds		
	Water Resources	Stormwater	Sanitation
Operating Revenues			
Sales - Water	\$ 58,805,793	\$ -	\$ -
Sales - Wastewater	75,140,942	-	-
Sales and Concessions	-	-	-
Service Charges and Fees	276,601	16,997,103	43,975,146
Fines and Forfeitures	-	-	-
Rentals and Parking	71,263	-	-
Total Operating Revenues	134,294,599	16,997,103	43,975,146
Operating Expenses			
Personal Services and Benefits	26,929,862	7,139,204	16,465,023
Supplies, Services and Claims	55,416,123	5,530,852	21,610,430
General Administrative Charges	2,987,748	410,376	1,224,588
Depreciation	20,718,282	5,188,686	2,565,970
Total Operating Expenses	106,052,015	18,269,118	41,866,011
Operating Income (Loss)	28,242,584	(1,272,015)	2,109,135
Nonoperating Revenues (Expenses)			
Intergovernmental Revenues	1,911,594	43,837	191,531
Earnings on Investments	4,828,346	19,057	349,680
Other Interest Revenue	697,480	-	-
Interest Expense	(18,046,178)	(399,023)	(34,560)
Issue Cost and Amortization of Bond Discount	575,561	-	-
Gain (Loss) on Disposition of Capital Assets	127,120	43,441	37,599
Miscellaneous Revenue	144,194	101,964	199,207
Total Nonoperating Revenues (Expenses)	(9,761,883)	(190,724)	743,457
Income (Loss) Before Contributions and Transfers	18,480,701	(1,462,739)	2,852,592
Transfers and Contributions			
Capital Assets from (to) Other Funds	-	2,090,574	-
Contributions from Citizens and Developers	1,930,724	982	298,103
Capital Contributions	-	1,669,152	48,714
Transfers In (Out):			
Transfers In	4,956,603	3,175,779	214,686
Transfers Out	(12,608,837)	(2,163,168)	(4,335,772)
Total Transfers and Contributions	(5,721,510)	4,773,319	(3,774,269)
Change in Net Position	12,759,191	3,310,580	(921,677)
Net Position - October 1 (Restated)	331,024,685	111,809,299	4,872,942
Net Position - September 30	\$ 343,783,876	\$ 115,119,879	\$ 3,951,265

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			
Tropicana Field	Nonmajor Enterprise Funds	Total Enterprise Funds	Total Internal Service Funds
\$ -	\$ -	\$ 58,805,793	\$ -
-	-	75,140,942	-
-	1,415,401	1,415,401	-
-	11,308,783	72,557,633	122,266,358
-	2,026,390	2,026,390	-
1,244,539	5,479,193	6,794,995	-
<u>1,244,539</u>	<u>20,229,767</u>	<u>216,741,154</u>	<u>122,266,358</u>
553,513	7,987,238	59,074,840	21,424,375
1,651,998	8,780,326	92,989,729	86,316,307
-	584,820	5,207,532	1,728,228
3,431,107	4,491,066	36,395,111	627,370
<u>5,636,618</u>	<u>21,843,450</u>	<u>193,667,212</u>	<u>110,096,280</u>
<u>(4,392,079)</u>	<u>(1,613,683)</u>	<u>23,073,942</u>	<u>12,170,078</u>
-	7,881	2,154,843	46,923
1,996	7,270	5,206,349	321,379
-	-	697,480	-
-	(187,662)	(18,667,423)	-
-	(16,705)	558,856	-
-	(438,070)	(229,910)	(3,530,836)
-	2,196	447,561	674,118
<u>1,996</u>	<u>(625,090)</u>	<u>(9,832,244)</u>	<u>(2,488,416)</u>
(4,390,083)	(2,238,773)	13,241,698	9,681,662
-	24,283,803	26,374,377	275,720
-	995,217	3,225,026	-
-	1,251,044	2,968,910	-
1,335,000	1,726,215	11,408,283	324,145
-	(1,549,676)	(20,657,453)	(9,908,243)
<u>1,335,000</u>	<u>26,706,603</u>	<u>23,319,143</u>	<u>(9,308,378)</u>
(3,055,083)	24,467,830	36,560,841	373,284
<u>84,020,910</u>	<u>109,701,424</u>	<u>641,429,260</u>	<u>53,676,052</u>
<u>\$ 80,965,827</u>	<u>\$ 134,169,254</u>	<u>\$ 677,990,101</u>	<u>\$ 54,049,336</u>
		\$ 36,560,841	
		4,923,424	
		<u>\$ 41,484,265</u>	

City of St. Petersburg, Florida
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended September 30, 2018

Business-Type Activities - Enterprise Funds

	Water Resources	Stormwater	Sanitation
Cash flows from operating activities			
Cash received from customers and users	\$ 136,963,627	\$ 17,113,337	\$ 44,318,255
Cash payments for interfund services provided	(17,772,948)	(5,513,016)	(13,398,726)
Cash payments to vendors for goods & services	(54,433,270)	(1,440,564)	(11,503,490)
Cash payments to employees for services	(22,671,223)	(5,594,659)	(13,297,134)
Cash provided by (used for) operating activities	42,086,186	4,565,098	6,118,905
Cash flows from noncapital financing activities			
Intergovernmental revenue	1,911,594	43,837	191,531
(Payment) Receipt on Interfund Loan	(1,952,077)	-	-
Transfers-in	-	3,175,779	214,686
Transfers-out	(12,608,837)	(2,163,168)	(4,335,772)
Cash provided by (used for) noncapital financing activities	(12,649,320)	1,056,448	(3,929,555)
Cash flows from capital & related financing activities			
Proceeds from issuance of debt	131,946,291	-	-
Proceeds from special assessment, net of receivable change	1,931,814	-	995,852
Acquisition & Construction of Capital Assets	(70,854,661)	(5,334,587)	(4,559,083)
Proceeds from sale of property, plant, equipment	7,192	-	-
Principal received on Notes Receivable	976,294	-	-
Bond fees and costs	(344,090)	-	-
Interest paid on Revenue Bonds, Note Maturities & Capital Lease	(16,584,306)	(346,015)	(43,560)
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	(8,245,563)	(370,000)	(1,250,000)
Payments to Escrow Agents - Debt Refunding	-	-	-
Intergovernmental Revenue	1,202,935	1,043,795	(14,886)
Cash provided by (used for) capital & related financing activities	40,035,906	(5,006,807)	(4,871,677)
Cash flows from investing activities			
Purchase, Sale and Maturities of Investments, net	(63,219,580)	(112,864)	3,497,786
Interest received on investments	5,642,743	184,924	606,804
Cash provided by (used for) investing activities	(57,576,837)	72,060	4,104,590
Net increase (decrease) in cash	11,895,935	686,799	1,422,263
Cash at beginning of year	36,093,905	2,393,592	2,439,377
Cash at year end	\$ 47,989,840	\$ 3,080,391	\$ 3,861,640
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Cash flows from operating activities			
Operating Income (loss)	\$ 28,242,584	\$ (1,272,015)	\$ 2,109,135
Adjustments to reconcile net income (loss) to net cash provided by operating activities			
Depreciation	20,718,282	5,188,686	2,565,970
Amortization	5,467,151	1,373,759	3,871,500
Other non-operating income (loss), net	1,088,723	188,846	274,405
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	311,168	(72,612)	68,704
Prepays & Other Assets	(1,240,788)	19,168	(4,139)
Accounts Payable & Accrued Liabilities	(6,704,385)	483,516	912,266
Deposits	2,461,408	-	-
Accrued Salary, Compensated Absences and OPEB	(8,257,957)	(1,344,250)	(3,678,936)
Cash provided by (used for) operating activities	42,086,186	4,565,098	6,118,905
Non-cash Investing, Capital, and Financing Activities			
Contributions of Capital Assets (to)/from Other Funds	\$ 4,956,603	\$ 2,091,556	\$ 48,714
Change in Fair Value of Investments	(888,686)	(165,867)	(257,124)
SRF Loan Payable and Receivable	12,759,879	-	-
Total	\$ 16,827,796	\$ 1,925,689	\$ (208,410)

The accompanying notes are an integral part of these statements

Business-Type Activities - Enterprise Funds

Tropicana Field	Non-Major Enterprise Funds	Totals	Governmental Activities - Internal Service Funds
\$ 1,218,936	\$ 20,189,151	\$ 219,803,306	\$ 123,209,206
(1,881,862)	(3,229,308)	(41,795,860)	(5,467,405)
(347,590)	(7,966,810)	(75,691,724)	(83,631,137)
(4,540)	(6,669,429)	(48,236,985)	(17,765,433)
<u>(1,015,056)</u>	<u>2,323,604</u>	<u>54,078,737</u>	<u>16,345,231</u>
(86,221)	933,179	2,993,920	46,948
-	682,178	(1,269,899)	-
1,335,000	1,617,215	6,342,680	324,145
-	(1,543,896)	(20,651,673)	(9,908,243)
<u>1,248,779</u>	<u>1,688,676</u>	<u>(12,584,972)</u>	<u>(9,537,150)</u>
-	15,000	131,961,291	-
-	(20,414)	2,907,252	-
-	(1,663,479)	(82,411,810)	(3,712,394)
-	1,066	8,258	60
-	-	976,294	-
-	(16,705)	(360,795)	-
-	(190,533)	(17,164,414)	-
-	(595,000)	(10,460,563)	-
-	-	-	-
-	-	2,231,844	-
<u>-</u>	<u>(2,470,065)</u>	<u>27,687,357</u>	<u>(3,712,334)</u>
(698)	(1,893,965)	(61,729,321)	(4,287,190)
<u>5,738</u>	<u>232,226</u>	<u>6,672,435</u>	<u>2,358,549</u>
<u>5,040</u>	<u>(1,661,739)</u>	<u>(55,056,886)</u>	<u>(1,928,641)</u>
238,763	(119,524)	14,124,236	1,167,106
663,965	2,885,781	44,476,620	14,535,690
<u>\$ 902,728</u>	<u>\$ 2,766,257</u>	<u>\$ 58,600,856</u>	<u>\$ 15,702,796</u>
\$ (4,392,079)	\$ (1,613,683)	\$ 23,073,942	\$ 12,170,078
3,431,107	4,491,066	36,395,111	627,370
-	1,138,611	11,851,021	675,583
-	11,010	1,562,984	-
(25,603)	(68,534)	213,123	60,566
-	(86,342)	(1,312,101)	(580,467)
(29,105)	(509,921)	(5,847,629)	969,397
-	37,276	2,498,684	206,669
624	(1,075,879)	(14,356,398)	2,216,035
<u>(1,015,056)</u>	<u>2,323,604</u>	<u>54,078,737</u>	<u>16,345,231</u>
\$ -	\$ (224,956)	\$ 6,871,917	\$ 275,720
(3,742)	24,759,482	23,444,063	(1,308,958)
-	-	12,759,879	-
<u>\$ (3,742)</u>	<u>\$ 24,534,526</u>	<u>\$ 43,075,859</u>	<u>\$ (1,033,238)</u>

City of St. Petersburg, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
September 30, 2018

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
Assets		
Cash and Cash Equivalents	\$ 2,003,335	\$ 788,512
Trustee Accounts	<u>28,551,537</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>30,554,872</u>	<u>788,512</u>
Receivables		
Interest and Dividends	2,043,516	-
Accounts	10,080	5,800
Unsettled Investment Sales	<u>290,519</u>	<u>-</u>
Total Receivables	<u>2,344,115</u>	<u>5,800</u>
Prepays and Deposits	20,775	-
Investments, at Fair Value		
DROP Investments	63,254,116	-
Government Securities	75,325,185	-
Corporate Bonds	118,132,243	-
Common and Preferred Stock	551,043,039	-
Mutual Funds	298,189,822	-
Alternative Investments	<u>70,711,678</u>	<u>-</u>
Total Investments	<u>1,176,656,083</u>	<u>-</u>
Total Assets	<u>1,209,575,845</u>	<u>794,312</u>
Liabilities		
Payables		
Accounts	21,280	-
Due to Other Entities and Individuals	-	794,312
Unsettled Investment Purchases	1,664,521	-
DROP Liability	<u>63,254,116</u>	<u>-</u>
Total Liabilities	<u>64,939,917</u>	<u>794,312</u>
Net Position		
Net Position Restricted for Pensions	<u>1,144,635,928</u>	<u>-</u>
Total Net Position	<u>\$ 1,144,635,928</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, 2018

	Pension Trust Funds
Additions	
Contributions	
Employer (Charges to Other Funds)	\$ 20,168,023
Employees	5,543,320
State Insurance Fund	3,826,937
Total Contributions	<u>29,538,280</u>
Investment Income	
Net Increase in Fair Value of Investments	74,142,931
Interest on Investments	6,599,143
Dividends on Stock	19,718,432
Total Investment Income	<u>100,460,506</u>
Less Investment Expense	<u>(3,942,901)</u>
Net Investment Income	<u>96,517,605</u>
Total additions	<u>126,055,885</u>
Deductions	
Benefits	61,531,996
Deferred Retirement Option Contributions	8,988,299
Refunds of Contributions	391,633
Administrative Expenses	65,031
Total deductions	<u>70,976,959</u>
Change in Net Position	55,078,926
Net Position Restricted for Pensions - October 1	<u>1,089,557,002</u>
Net Position Restricted for Pensions - September 30	<u><u>\$ 1,144,635,928</u></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, 2018

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 units discussed below are 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, 2018

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, 2018, had a related party transaction with the TBWA as follows: The City paid \$25,287,258 for water purchases, and received \$697,480 in interest and \$976,294 of principal on the TBWA contract receivable. The remaining principal in the TBWA contract receivable is \$12,905,631.

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, 2018

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, 2018

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, 2018

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 2030 that is funded by the City's share of the Pinellas County one cent local option sales surtax, "Penny for Pinellas". In addition, 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 identified priorities for the City include streetscape improvements, new police department headquarters to include an Emergency Operation Center Facility and Regional 911 Center Backup Facility.
- 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, debt issuances, land sales or other miscellaneous revenues. The General Capital Improvement Fund is reported as a major governmental fund in 2018 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 in this Fund by the issuance of Non Ad Valorem Revenue Notes.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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, 2018

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.

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, 2018

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, 2018

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 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 share value as it meets the criteria to be a 2A-7 like investment at September 30, 2018.

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, 2018

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, 2018 totals \$156,795. 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 \$596 at September 30, 2018. 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, 2018

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, 2018

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 so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has three items that meet this criterion: deferred amounts related to pensions, deferred amounts related to Other Post Employment Benefits (OPEB) 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 three items that meet the criterion for this category: unavailable revenues, deferred amounts related to pensions, and deferred amounts related to OPEB. 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 refunding 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 issuance's are reported as other financing sources while discounts on debt issuance's 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, 2018

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, 2018

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;

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

additions to or reductions from a stabilization fund will be approved by City Council as part of the 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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

The Economic Stability Fund is included in the General Fund for financial reporting purposes and had a net position of \$26,547,529 at September 30, 2018.

The Water Cost Stabilization Fund is included in the Water Resources Fund for financial reporting purposes and had a fund balance of \$91,386,113 at September 30, 2018.

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, 2018

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 Incurred But Not Reported (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, 2018

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, 2018 the City implemented the following GASB Pronouncements:

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 with defined contribution OPEB. See Note 20 for disclosure and Note 24 for restatement.

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). Due to clarification included in the Statement, the City does not disclose payroll measures in Note 20 for other post-employment benefits as contributions to the OPEB Plan are not based on a measure of pay.

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. No impact on current year financial statements.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements

Issued in April 2018, this Statement improves the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance related consequences, and significant subjective acceleration clauses. See Note 12 for additional disclosure.

GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period

Issued in June 2018, this Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5-22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The City has implemented this Statement for fiscal year ending September 30, 2018 and no longer capitalize interest.

15. Future GASB Pronouncements

The following GASB Pronouncements have been issued, but are not in effect for the City as of 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 for fiscal year ending September 30, 2019.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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. 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 financing's 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.

GASB Statement No. 90, *Majority Equity Interests*

Issued in August 2018, the Statement was issued to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The City will implement this Statement for fiscal year ending September 30, 2019.

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, 2018

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 included in the General Fund expenditures exceeded appropriations by \$10,487 due to the additional approved appropriations estimate insufficient for the final accounts payable accrual made subsequent to the fiscal year 2018 budget appropriations.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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
Non Spendable								
Advances From Other Funds	\$ 4,191,993	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	4,191,993
Library Permanent Income Earnings Trust Kopsick	-	-	-	-	-	-	234,914	234,914
Non-Expendable Trust Fund	-	-	-	-	-	-	156,795	156,795
Fire Rescue and EMS Awards	-	-	-	-	-	-	34,481	34,481
Prepaid Deposit and Inventory	1,705,459	-	-	-	-	-	63,026	1,768,485
Total Non Spendable	5,897,452	-	-	-	-	-	489,216	6,386,668
Restricted								
Bayboro Harbor Redevelopment District	-	843,730	-	-	-	-	-	843,730
Intown West Redevelopment District	-	3,984,738	-	-	-	-	-	3,984,738
South St. Petersburg Redevelopment District	-	3,321,942	-	-	-	-	-	3,321,942
Downtown Redevelopment District	-	-	19,721,813	-	-	-	-	19,721,813
Public Safety Capital Improvement (1)	-	-	-	24,046,068	-	-	-	24,046,068
City & Neighborhood Infrastructure (1)	-	-	-	25,276,028	-	-	-	25,276,028
Recreation and Culture Capital Improvement (1)	-	-	-	10,555,235	-	-	-	10,555,235
City Facilities Capital Improvement (1)	-	-	-	2,735,250	-	-	-	2,735,250
Public Safety - Law Enforcement	-	-	-	-	-	-	1,040,197	1,040,197
Public Safety - EMS	-	-	-	-	-	-	1,329,265	1,329,265
Debt Service Payments	-	-	-	-	-	-	3,609,890	3,609,890
Housing Assistance Grants	-	-	-	-	-	1,568,048	2,408,522	3,976,570
Weeki Wachee (2)	-	-	-	-	-	-	8,638,235	8,638,235
Donation Funds	-	-	-	-	-	-	495,939	495,939
Professional Sports Facility Sales Tax	-	-	-	-	-	-	111,969	111,969
General Capital Improvements (5)	-	-	-	-	51,463,233	-	-	51,463,233
Building Code Enforcement	-	-	-	-	-	-	13,389,995	13,389,995
Total Restricted	-	8,150,410	19,721,813	62,612,581	51,463,233	1,568,048	31,024,012	174,540,097

(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, 2018

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
Committed								
General Capital Improvements	-	-	-	-	13,591,613	-	-	13,591,613
Downtown Parking Garage	-	-	-	-	-	-	683,079	683,079
Transportation Improvements	-	-	-	-	-	-	397,202	397,202
Housing Capital Improvements	-	-	-	-	-	-	6,927	6,927
Land sale proceeds (3)	99,071	-	-	-	-	-	-	99,071
Local Agency Program (LAP) (3)	246,919	-	-	-	-	-	-	246,919
Economic Stability and Budget								
Shortfalls/Savings (4)	26,547,529	-	-	-	-	-	-	26,547,529
Preservation Projects (4)	222,652	-	-	-	-	-	-	222,652
Operating reappropriations (3)	4,605,757	-	-	-	-	-	-	4,605,757
Weeki Wachee (2)	-	-	-	-	-	-	7,543,133	7,543,133
Recreation and Culture (4)	829,911	-	-	-	-	-	75,527	905,438
Total Committed	32,551,839	-	-	-	13,591,613	-	8,705,868	54,849,320
Assigned								
General Capital Improvement (5)	-	-	-	-	949,145	-	-	949,145
Housing Capital Improvement	-	-	-	-	-	-	289,803	289,803
Transportation Improvement (Sidewalks & Traffic Safety)	-	-	-	-	-	-	12,586,510	12,586,510
Downtown Parking Garage	-	-	-	-	-	-	1,510,374	1,510,374
Recreation and Culture	-	-	-	-	-	-	1,932,112	1,932,112
Total Assigned	-	-	-	-	949,145	-	16,318,799	17,267,944
Unassigned	28,914,291	-	-	-	-	-	(2,186)	28,912,105
Total Fund Balances	\$ 67,363,582	\$ 8,150,410	\$ 19,721,813	\$ 62,612,581	\$ 66,003,991	\$ 1,568,048	\$ 56,535,709	\$ 281,956,134

(3) City Council has committed a portion of the General Operating Fund Balance for specific purposes under Ordinance 352-H for Fiscal Year Ended September 30, 2018. 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 2018 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 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, 2018

NOTE 4 – PROPERTY TAXES

A. CALENDAR OF PROPERTY TAX EVENTS

January 1, 2017 - Property taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

June 1, 2017 – Estimate of taxable value, property assessment roll and certificates of value by County Property Appraiser provided to the City.

July 1, 2017 - Proposed tax millage rate approved by the City Council and provided to the County Property Appraiser, who mails notices to the taxpayers.

September 28, 2017 - Property tax millage rate resolution approved by the City Council.

October 1, 2017 - Beginning of fiscal year for which taxes are levied.

November 1, 2017 - Property Tax levy due and payable.

March 20, 2018 - County Property Appraiser notifies the City of taxable value on the final property tax assessment roll.

April 1, 2018 - Unpaid property taxes become delinquent and become a lien.

June 1, 2018 - 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, 2018, the approved operating millage was 6.7550 mills.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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 \$89,574,440 and the bank balances were \$100,960,934 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	\$ 86,771,088	11,505	2,003,335	788,512	\$ 89,574,440
State of Florida Local Government Surplus Trust Fund A	28,506,834	-	-	-	28,506,834
Morgan Stanley - Governmental Money Market	791,787	-	-	-	791,787
AIM - Governmental Money Market	618,156	-	-	-	618,156
Florida Education Investment Trust Fund	38,294,588	-	-	-	38,294,588
Certificates of Deposit	6,999,168	832	-	-	7,000,000
Total	<u>\$ 161,981,621</u>	<u>12,337</u>	<u>2,003,335</u>	<u>788,512</u>	<u>\$ 164,785,805</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
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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, 2018. 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, 2018 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, 2018 is 33 days and the weighted average life (WAL) of Florida PRIME at September 30, 2018 is 72 days. Florida PRIME was not exposed to any foreign currency risk during the year ended September 30, 2018.

The City holds cash equivalents with the Florida Education Investment Trust Fund (FEITF) in the short term, debt service and bond proceeds portfolios as of September 30, 2018. FEITF is recorded as amortized cost in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*. FEITF has a Standard and Poor's rating of AAAM at September 30, 2018 and is recorded at amortized cost. There are no redemption fees or maximum transaction amounts, or any 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 FEITF at September 30, 2018 is 37 days and the weighted average life (WAL) of FEITF at September 30, 2018 is 77 days. FEITF was not exposed to any foreign currency risk during the year ended September 30, 2018.

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, 2018 of \$1.00. The Morgan Stanley Governmental Money Market Fund WAM is 32 days and the WAL is 104 days at September 30, 2018. The Invesco AIM Governmental Money Market Fund WAM is 17 days and the WAL is 111 days at September 30, 2018. 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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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.

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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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, 2018. 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 \$577,745 that are rated below investment grade or not rated, see credit risk note for more information.

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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.

The primary government and component unit have the following recurring fair value measurements as of September 30, 2018:

	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)	\$ 26,000,000	-	-	\$ 1,600,000	1
Fixed Income Investments					
U.S. Treasury	93,007,793	-	97,520,140	5,000,000	1
U.S. Instrumentalities Bonds & Notes	70,330,001	18,885,810	5,976,000	28,235,979	2
Taxable Municipals	73,272,573	-	-	15,185,277	2
Corporate Bonds	69,437,557	-	-	16,556,145	2
Collateralized Mortgage Obligations	7,017	-	-	3,709	2
Blackrock Strategic Cash	577,745	-	-	-	3
Total Portfolio	<u>\$ 332,632,686</u>	<u>18,885,810</u>	<u>103,496,140</u>	<u>66,581,110</u>	
Total City General Investment Policy				<u><u>\$ 521,595,746</u></u>	
<u>City Alternate Investment Policy:</u>					
Water Cost Stabilization Index Funds				<u>\$ 23,230,129</u>	
Parks Preservation Portfolio					
Common Stocks				5,241,020	1
Common Stocks				3,566,985	2
Mutual Fund - Equities				792,681	1
US Treasury				1,183,981	1
US Instrumentalities Bonds & Notes				165,789	2
Corporate Bonds				3,164,526	2
Mutual Fund - Corporate Bonds				1,982,891	1
Total Parks Preservation Portfolio				<u>16,097,873</u>	
Total - City Alternate Investment Policy				<u>39,328,002</u>	
<u>Other:</u>					
U.S. Trust - Library Gene Stacy Investments Portfolio - Mutual Funds				104,390	1
Morgan Stanley Kopsick Endowment (Perm Fund) - Mutual Funds				156,795	1
Total Investments at Fair Value				<u>561,184,933</u>	
Accrued Interest Receivable (included in Equity in Pooled Investments)				3,137,723	
Total Investments, Primary Government and Component Unit				<u><u>\$ 564,322,656</u></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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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 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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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 duration's were based on the securities maturity date, not the call date. As of September 30, 2018, 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	\$ 28,468,570	64,539,223	-	\$ 93,007,793
U.S. Instrumentalities Bonds & Notes	3,519,460	66,810,541	-	70,330,001
Taxable Municipals	15,552,542	47,884,804	9,835,227	73,272,573
Corporate Bonds	15,117,360	54,320,197	-	69,437,557
Collateralized Mortgage Obligations	7,017	-	-	7,017
Blackrock Strategic Cash	577,745	-	-	577,745
Total Core Portfolio	<u>63,242,694</u>	<u>233,554,765</u>	<u>9,835,227</u>	<u>306,632,686</u>
Debt Service Related Portfolio				
U.S. Instrumentalities Bonds & Notes	-	18,885,810	-	18,885,810
Total Debt Service Related Portfolio	<u>-</u>	<u>18,885,810</u>	<u>-</u>	<u>18,885,810</u>
Bond Proceeds Portfolio				
U.S. Treasury	87,714,240	9,805,900	-	97,520,140
U.S. Instrumentalities Bonds & Notes	-	5,976,000	-	5,976,000
Total Bond Proceeds Portfolio	<u>87,714,240</u>	<u>15,781,900</u>	<u>-</u>	<u>103,496,140</u>
Water Cost Stabilization Portfolio				
U.S. Treasury	5,000,000	-	-	5,000,000
U.S. Instrumentalities Bonds & Notes	-	28,235,979	-	28,235,979
Taxable Municipals	3,109,392	10,425,211	1,650,674	15,185,277
Corporate Bonds	-	14,626,045	1,930,100	16,556,145
Collateralized Mortgage Obligations	3,709	-	-	3,709
Total Water Cost Stabilization Portfolio	<u>\$ 8,113,101</u>	<u>53,287,235</u>	<u>3,580,774</u>	<u>\$ 64,981,110</u>
Total General Investment Policy	<u>\$ 159,070,035</u>	<u>321,509,710</u>	<u>13,416,001</u>	<u>\$ 493,995,746</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

The City's general investment portfolio's average years to maturity is 2.80 years and average coupon of bond holdings is 2.50% at par value weighted calculation. At market value weighted calculation the portfolio has a 2.54% current yield of portfolio and 2.94% 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	\$ 771,753	412,228	-	\$ 1,183,981
US Instrumentalities Bonds & Notes	165,789	-	-	165,789
Collateralized Mortgage Obligations	-	509,476	-	509,476
Corporate Bonds	380,794	2,274,256	-	2,655,050
Total Alternate City Investment Policy	<u>\$ 1,318,336</u>	<u>3,195,960</u>	<u>-</u>	<u>\$ 4,514,296</u>

The City's alternate investment portfolio's average years to maturity is 3.20 years and average coupon of bond holdings is 2.70% at par value weighted calculation. At market value weighted calculation the portfolio has a 2.71% current yield of portfolio and 3.07% 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, 2018.

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, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

As of September 30, 2018, 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	\$ 618,156
Morgan Stanley Money Market	Aaa	791,786
Florida Education Trust Fund	Aaa	38,294,587
U.S. Instrumentalities Bonds & Notes	Aaa	119,908,331
	Aa2	3,519,460
Taxable Municipals	Aaa	17,177,538
	Aa1	26,748,626
	Aa2	7,621,856
	Aa3	11,792,593
	A1	6,825,170
	A3	790,177
	Baa1	5,451,490
	S&P AA+	1,000,000
	S&P AA-	10,036,400
	S&P A-	1,014,000
Corporate Bonds	Aaa	13,676,720
	Aa1	7,577,178
	Aa3	10,325,114
	A1	11,646,590
	A2	9,526,090
	A3	17,180,030
	Baa1	9,992,200
	Baa2	6,069,780
Collateralized Mortgage Obligations	N/A	10,726
Blackrock Strategic Cash	Aaa to NR*	577,745
Total General City Investment Policy		<u>\$ 338,172,343</u>
<u>City Alternate Investment Policy:</u>		
Parks Preservation Portfolio		
US Instrumentalities Bonds & Notes	Aaa	\$ 165,789
Corporate Bonds	Aaa	361,507
	Aa2	95,112
	Aa3	97,005
	A1	97,065
	A2	289,866
	A3	563,901
	Baa1	566,922
	Baa2	379,512
	Baa3	472,349
	S&P AAA	147,969
	S&P BBB	93,318
Total Alternate City Investment Policy		<u>\$ 3,330,315</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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.

*Blackrock's portfolio credit ratings from Moody's range from Aaa to NR with the breakout as follows: investment grade \$245,413, speculative grade \$225,180, 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) 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, 2018

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, 2018, 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	9.37%
Bank United	Certificates of Deposit	5.60%
Federal Farm Credit Bank	Agency Bond	5.24%

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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 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.

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, 2018:

	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System	Total	Level
Cash Equivalents					
Institutional money markets	\$ 14,982,145	3,936,354	9,633,038	\$ 28,551,537	1
Total Cash Equivalents	14,982,145	3,936,354	9,633,038	28,551,537	
Equity Investments:					
Common and Preferred Stock	172,423,442	15,220,478	246,947,270	434,591,190	1
Common and Preferred Stock	73,758,791	2,296,939	40,396,119	116,451,849	2
Mutual Funds - Equity	51,573,656	193,051,614	36,816,907	281,442,177	1
DROP Investments - Mutual Funds	11,131,799	23,583,917	28,538,400	63,254,116	1
Fixed Income Investments:					
U.S. Treasuries securities	7,508,517	8,830,442	12,336,874	28,675,833	1
U.S. Agencies securities	12,881,670	13,627,093	19,462,206	45,970,969	2
Mutual Funds - Debt	10,433,847	-	6,313,798	16,747,645	2
Municipal Bonds	423,437	254,946	-	678,383	2
Corporate Bonds	56,173,783	33,358,546	28,599,914	118,132,243	2
Total investments at fair value	396,308,942	290,223,975	419,411,488	1,105,944,405	
Investments measured at NAV:					
Real estate fund	41,374,727	-	29,336,951	70,711,678	
Total investments at NAV	41,374,727	-	29,336,951	70,711,678	
Total investments	\$ 437,683,669	290,223,975	448,748,439	\$ 1,176,656,083	

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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

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.

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
Real estate funds (1)	70,711,678	None	Quarterly	60 days written notice
Total Investments Measured at the NAV	<u>\$ 70,711,678</u>			

(1) 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, 2018, 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, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

As of September 30, 2018, 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	\$ 7,508,517	5	\$ 8,830,442	11	\$ 12,336,874	5
U.S. Instrumentalities Bonds & Notes	12,881,670	9	13,627,093	21	19,462,206	8
Municipal Bonds	423,437	23	254,946	22	-	
Corporate Bonds	56,173,783	4	33,358,546	5	28,599,914	4
Total	<u>\$ 76,987,407</u>		<u>\$ 56,071,027</u>		<u>\$ 60,398,994</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, 2018, 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	\$ 12,109,647	\$ 12,878,069	\$ 18,663,652
Municipal Bonds	A2	423,437	254,947	-
Corporate Bonds	Aaa	5,167,893	871,482	970,239
	Aa1	1,889,065	158,634	1,509,727
	Aa2	878,985	1,071,930	1,082,765
	Aa3	696,627	1,134,781	594,966
	A1	4,759,055	2,422,052	6,896,291
	A2	3,601,986	7,013,343	8,013,980
	A3	9,141,988	10,404,181	8,715,306
	Baa1	12,656,432	7,037,534	816,640
	Baa2	10,796,047	2,461,810	-
	Baa3	3,342,058	586,487	-
	Ba1	-	196,311	-
	Not Rated	3,243,647	-	-
Total City Pension Investment Policy		<u>\$ 68,706,867</u>	<u>\$ 46,491,561</u>	<u>\$ 47,263,566</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, 2018

NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)

At September 30, 2018, 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 9.5% of the investment portfolio in alternative real estate funds.
- Police Officers' Retirement System, the issuer UBS held 6.5% 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	\$ 1,706	\$ 24	\$ 5	\$ 444	\$ 1,018	\$ 1,422	\$ 4,619
Taxes	4,797	-	-	-	-	-	4,797
Accrued Interest	-	-	34	-	-	-	34
Notes	-	-	-	24,105	15,322	-	39,427
Assessments	85	-	-	-	-	-	85
Total Governmental	6,588	24	39	24,549	16,340	1,422	48,962
Less: Allowance for uncollectible	(242)	-	-	(19,295)	(9,283)	(100)	(28,920)
Net Governmental Receivable	\$ 6,346	\$ 24	\$ 39	5,254	\$ 7,057	\$ 1,322	\$ 20,042

*Local Option Sales Surtax Improvement

The Community Redevelopment Districts Fund and the Downtown Redevelopment District Fund did not have any receivables as of September 30, 2018.

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	\$ 8,625	\$ 1,264	\$ 2,551	\$ 114	\$ 5,134	\$ 17,688
Accrued Interest	1,603	-	-	-	-	1,603
Unbilled Revenues	4,620	-	109	-	-	4,729
Assessments	5	-	3,739	-	-	3,744
Total Business-Type	14,853	1,264	6,399	114	5,134	27,764
Less: Allowance for uncollectible	(432)	(318)	(1,371)	-	(4,556)	(6,677)
Net Business Type Receivable	\$ 14,421	\$ 946	\$ 5,028	\$ 114	\$ 578	\$ 21,087

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 6 – RECEIVABLES – (Continued)

Amounts actually written off during the year were \$146,490 for the General Fund, \$331,626 for the Water Resources Fund, \$28,628 for the Stormwater Fund, \$81,615 for the Sanitation Fund, \$88,100 for internal service funds, \$1,559 for the nonmajor governmental funds and \$44,304 for the nonmajor enterprise funds.

The City had notes receivable in the following funds at September 30, 2018. 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	\$ 143,459
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.	87,210
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.	4,578,882
Various %		
		<u>\$ 4,809,551</u>
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	\$ 4,244,011
Community Housing Trust	Mortgage notes of various dates and interest rates for multi-family developer acquisition and rehabilitation/construction notes from the the Community Housing Trust Grants, due in monthly payments including interest.	2,376,123
Various%		
		<u>\$ 6,620,134</u>
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.	\$ 29,291
Various %		
	Total Governmental Notes Receivable	<u><u>\$ 11,458,976</u></u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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, 2018.

ENTERPRISE FUNDS

Water Resources

4.95% - 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.	\$ 12,905,631
	Less Current Portion	<u>(1,024,621)</u>
	Total Non-Current Portion	<u>\$ 11,881,010</u>

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2018 is presented in the following schedules:

Primary Government

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Governmental Activities					
Capital assets, not being depreciated:					
Land	\$ 120,614,642	\$ -	\$ -	\$ -	\$ 120,614,642
Construction in progress	18,029,480	87,722,119	(8,053,097)	(25,231,431)	72,467,071
Total Capital Assets, not being depreciated	138,644,122	87,722,119	(8,053,097)	(25,231,431)	193,081,713
Capital assets, being depreciated:					
Buildings and systems	135,229,813	1,257,402	(378,233)	-	136,108,982
Improvements and Infrastructure	416,125,580	3,550,671	-	(2,084,312)	417,591,939
Machinery and equipment	108,542,788	9,609,701	(5,857,144)	392,772	112,688,117
Total Capital Assets being depreciated	659,898,181	14,417,774	(6,235,377)	(1,691,540)	666,389,038
Less accumulated depreciation for:					
Buildings and systems	(71,840,388)	(2,915,835)	82,581	-	(74,673,642)
Improvements and Infrastructure	(266,548,775)	(11,213,643)	154,000	771,276	(276,837,142)
Machinery and equipment	(82,805,228)	(9,052,564)	5,737,743	(542,272)	(86,662,321)
Total accumulated depreciation	(421,194,391)	(23,182,042)	5,974,324	229,004	(438,173,105)
Total Capital Assets, being depreciated, net	238,703,790	(8,764,268)	(261,053)	(1,462,536)	228,215,933
Governmental activities Capital Assets, net	<u>\$ 377,347,912</u>	<u>\$ 78,957,851</u>	<u>\$ (8,314,150)</u>	<u>\$ (26,693,967)</u>	<u>\$ 421,297,646</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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	86,147,961	75,318,525	(70,649,851)	25,231,431	116,048,066
Total Capital Assets, not being depreciated	115,937,042	75,318,525	(70,649,851)	25,231,431	145,837,147
Capital assets, being depreciated:					
Buildings and systems	270,281,667	1,170,980	(93,328)	-	271,359,319
Improvements other than buildings	88,651,023	1,919,843	(280,513)	2,084,312	92,374,665
Machinery and equipment	70,922,985	9,929,896	(3,548,032)	(392,772)	76,912,077
Utility Systems	1,038,105,011	69,885,794	(45,305)	-	1,107,945,500
Total Capital Assets being depreciated	1,467,960,686	82,906,513	(3,967,178)	1,691,540	1,548,591,561
Less accumulated depreciation for:					
Buildings and systems	(125,573,728)	(5,219,001)	77,965	-	(130,714,764)
Improvements other than buildings	(64,421,945)	(2,579,774)	280,515	(771,276)	(67,492,480)
Machinery and equipment	(53,541,127)	(6,442,013)	3,540,659	542,272	(55,900,209)
Utility Systems	(426,276,865)	(22,154,323)	45,305	-	(448,385,883)
Total accumulated depreciation	(669,813,665)	(36,395,111)	3,944,444	(229,004)	(702,493,336)
Total Capital Assets, being depreciated, net	798,147,021	46,511,402	(22,734)	1,462,536	846,098,225
Business-type Activities Capital Assets, net	<u>\$ 914,084,063</u>	<u>\$ 121,829,927</u>	<u>\$ (70,672,585)</u>	<u>\$ 26,693,967</u>	<u>\$ 991,935,372</u>

Depreciation Expense

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

Governmental Activities:

General Government	\$ 941,926
Community and Economic Development	1,299,433
Public Safety – Police	4,006,643
Public Safety – Fire and EMS	1,976,700
Public Works, including depreciation of general infrastructure assets	9,138,521
Recreation, Culture and Social	5,818,819
Total depreciation expense – governmental activities	<u>\$ 23,182,042</u>

Business-type Activities:

Water Resources	\$ 20,718,282
Stormwater	5,188,686
Sanitation	2,565,970
Tropicana	3,431,107
Other nonmajor business-type funds	4,491,066
Total depreciation expense – business-type activities	<u>\$ 36,395,111</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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, 2018 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
CAPITAL PROJECTS FUNDS			
General Capital Improvement	\$ 49,459,986	\$ 17,327,172	\$ 66,787,158
Local Option Sales Surtax Improvement	39,073,320	30,638,975	69,712,295
Transportation Improvement	397,202	9,276,376	9,673,578
Housing Improvement	6,927	116,441	123,368
Downtown Parking Garage	683,079	1,300,439	1,983,518
Weeki Wachee	75,527	1,868,175	1,943,702
Total Capital Projects Funds	<u>\$ 89,696,041</u>	<u>\$ 60,527,578</u>	<u>\$ 150,223,619</u>
ENTERPRISE FUNDS			
Water Resources	\$ 60,035,913	\$ 85,409,766	\$ 145,445,679
Stormwater	3,609,614	6,790,337	10,399,951
Other nonmajor business-type funds	89,754	9,911,238	10,000,992
Total Enterprise Funds	<u>\$ 63,735,281</u>	<u>\$ 102,111,341</u>	<u>\$ 165,846,622</u>

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

Like many utilities throughout the country, the City is faced with maintaining its existing utility assets in a fit-for-purpose condition while balancing changing environmental conditions that have started to impact its infrastructure. The City experienced significant, sustained and heavy rainfall events occurred in 2015 and 2016 that led to unauthorized discharges. As a result, State and Federal government agencies initiated criminal investigations of the City. To the City's knowledge, both State and Federal investigations are closed; no charges have been brought against the City or any of its employees. The City has entered into two Consent Orders with the Florida Department of Environmental Protection ("FDEP").

FDEP Consent Order (OGC File No. 16-1280) ("Consent Order No. 16-1280") is intended to improve the City's ability to handle wet weather events through mandatory construction of infrastructure improvements. In addition to the infrastructure improvements, the Consent Order requires the City to develop a long-term Integrated Water Resources Master Plan ("IWRMP"). The Consent Order does not mandate a schedule for construction of projects resulting from the IWRMP.

On August 9, 2018, the City Council approved a proposed settlement of the litigation between the City and Suncoast Waterkeepers, Inc., Our Children's Earth Foundation, and Ecological Rights Foundation which is set forth in an Amended Consent Order (amendments to Consent Order No. 16-1280) (the "Amended Consent Order") and a Stipulated Order of Partial

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 8 - CAPITAL ASSETS - (Continued)

Dismissal and Court's Retention of Jurisdiction (the "Stipulated Order" and together with the Amended Consent Order, the "Proposed Settlement"). The Proposed Settlement remains subject to approval by the United States Environmental Protection Agency, United States Department of Justice, FDEP, and the United States District Court for the Middle District of Florida, Tampa Division. FDEP Short Form Consent Order (OGC File No. 18-106) ("Consent Order No. 18-106" and together with Consent Order No. 16-1280 the "Consent Orders") addressed unauthorized discharges related to Hurricane Irma.

In January 2018, the City retained the Consulting Engineer to prepare the IWRMP to identify and forecast capital investments in a prioritized manner consistent with City policies related to sustainability and resiliency. The City is taking a holistic approach to forecast future capital investments required for all Water Resource asset classes. This "one water" approach is intended to address multiple issues facing the City including climate change, sea level rise, aging infrastructure, infiltration and inflow, energy efficiency, greenhouse gas reduction, and management of wet weather including tropical storm and hurricane events. The IWRMP is currently being developed and will be delivered to the FDEP no later than December 31, 2019.

On September 27, 2018, the City became aware of an unauthorized, intermittent discharge of partially treated wastewater from its System. The discharge was caused by a third-party contractor's incorrect installation of a wash-water discharge line in the course of making improvements to the City's Northwest Water Reclamation Facility, which has since been corrected. The City notified the Florida Department of Environmental Protection of the discharge on September 28, 2018. The discharge is in violation of the City's existing Consent Order No. 16-1280, and the City may be subject to a fine thereunder of up to \$250,000.

The reliability of the System can be improved by replacing equipment that has reached or is approaching the end of its useful life. Replacing pumps, motors, and blowers provides an opportunity for improved efficiency and potentially reduced energy usage. Replacing pipelines provides an opportunity to address infrastructure defects and minimize the potential for line breaks and sewer overflows. The City closely coordinates its infrastructure with state and local roadway improvement programs to ensure aging assets are replaced and critical assets are relocated as necessary to maintain service.

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	\$ 13,000	\$ 131	\$ (12,869)
Expenditures	13,000	967	12,033
Excess of Revenues Over Expenditures	-	(836)	(836)
Budgetary Fund Balance October 1, 2017	71,557	70,516	(1,041)
Reserve for Encumbrances – October 1, 2017	-	-	-
Budgetary Fund Balance September 30, 2018	<u>\$ 71,557</u>	<u>69,680</u>	<u>\$ (1,877)</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

The composition of due to/from other funds as of September 30, 2018, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Nonmajor Governmental Funds	\$ 16,171
	Nonmajor Enterprise Fund	939,984
	Total	<u>\$ 956,155</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.

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Amount</u>
General Fund	Jamestown complex	\$ 298,000
	Golf Course	1,378,380
	Airport	<u>2,515,613</u>
	Total	<u>\$ 4,191,993</u>

The General Fund advanced monies to Jamestown Complex, the Golf Course and the Airport in fiscal years 2013 to 2018 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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

The composition of interfund transfers during fiscal year 2018 are as follows:

	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	\$ -	\$ 1,915,652	\$ 8,638,634	\$ -	\$ -	\$ 1,037,026	\$ -	\$ -	\$ -	\$ -	\$ 1,335,000	\$ 1,661,000	\$ (14,587,312)
Downtown													
Redevelopment	-	-	-	-	5,595,302	11,822,268	-	-	-	-	-	-	(17,417,570)
LOSSI*	507,000	-	-	461,885	-	-	-	-	-	-	-	-	(968,885)
General													
Capital													
Improvement	-	-	-	-	-	-	8,803	-	-	-	-	-	(8,803)
Grants	-	-	-	-	-	462,814	-	-	-	-	-	-	(462,814)
Nonmajor													
Governmental	452,760	-	-	-	5,942,468	3,613,663	-	-	-	-	-	-	(10,008,891)
Internal													
Service	-	-	-	-	2,425,000	-	315,342	3,739,130	3,148,870	214,686	-	65,215	(9,908,243)
Water													
Resources	12,581,928	-	-	-	-	-	-	-	26,909	-	-	-	(12,608,837)
Stormwater	2,163,168	-	-	-	-	-	-	-	-	-	-	-	(2,163,168)
Sanitation	3,118,299	-	-	-	-	-	-	1,217,473	-	-	-	-	(4,335,772)
Nonmajor Business- type													
	1,149,676	-	-	-	-	400,000	-	-	-	-	-	-	(1,549,676)
Total													
Transfers in	\$ 19,972,831	\$ 1,915,652	\$ 8,638,634	\$ 461,885	\$ 13,962,770	\$ 17,335,771	\$ 324,145	\$ 4,956,603	\$ 3,175,779	\$ 214,686	\$ 1,335,000	\$ 1,726,215	\$ -

*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, 2018

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 2023, some with options for additional terms. The total cost of the fiscal year 2018 was \$321,619. The following is a schedule by years of the future rentals on non-cancelable leases:

Fiscal Year Ending September 30:	2019	\$	192,358
	2020		146,577
	2021		126,565
	2022		93,003
	2023		82,791
Total Minimum Future Rentals		\$	<u>641,294</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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, 2018 (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	\$ 70,650	\$ -	\$ (2,080)	\$ 68,570	\$ 2,230
Notes from direct borrowings	65,251	-	(9,519)	55,732	9,284
	<u>135,901</u>	<u>-</u>	<u>(11,599)</u>	<u>124,302</u>	<u>11,514</u>
Bonds - Unamortized Premiums/Discounts	3,968	-	(456)	3,512	-
Total Bonds and Notes Payable	<u>139,869</u>	<u>-</u>	<u>(12,055)</u>	<u>127,814</u>	<u>11,514</u>
Claims and Judgments	56,068	51,453	(49,147)	58,374	12,444
Compensated Absences	16,092	840	(1,096)	15,836	1,096
Supplemental Payments Liability	1,174	-	(113)	1,061	-
Contingent Liability	1,527	-	(37)	1,490	37
Subtotal before Pension and OPEB Liabilities	<u>214,730</u>	<u>52,293</u>	<u>(62,448)</u>	<u>204,575</u>	<u>25,091</u>
Net Pension Liability	72,873	-	(21,745)	51,128	-
OPEB Liability	<u>63,655</u>	<u>105,175</u>	<u>-</u>	<u>168,830</u>	<u>-</u>
Governmental Activity Long-term Liabilities	<u>\$ 351,258</u>	<u>\$ 157,468</u>	<u>\$ (84,193)</u>	<u>\$ 424,533</u>	<u>\$ 25,091</u>
 <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	\$ 414,895	\$ -	\$ (6,675)	\$ 408,220	\$ 9,545
Notes from direct borrowings and placements	42,729	144,706	(3,770)	183,665	123,855
	<u>457,624</u>	<u>144,706</u>	<u>(10,445)</u>	<u>591,885</u>	<u>133,400</u>
Bonds - Unamortized Premiums/Discounts	13,875	-	(920)	12,955	-
Notes - Unamortized Premiums/Discounts	-	-	-	-	-
Total Bonds, Notes Payable	<u>471,499</u>	<u>144,706</u>	<u>(11,365)</u>	<u>604,840</u>	<u>133,400</u>
Compensated Absences	4,215	181	(240)	4,156	240
Subtotal before Pension and OPEB Liabilities	<u>475,714</u>	<u>144,887</u>	<u>(11,605)</u>	<u>608,996</u>	<u>133,640</u>
Net Pension Liability	17,830	-	(7,631)	10,199	-
OPEB Liability	<u>17,104</u>	<u>32,956</u>	<u>-</u>	<u>50,060</u>	<u>-</u>
Business Type Activity Long-term Liabilities	<u>\$ 510,648</u>	<u>\$ 177,843</u>	<u>\$ (19,236)</u>	<u>\$ 669,255</u>	<u>\$ 133,640</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS – (Continued)

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

Debt Overview

The City of St. Petersburg issues revenue bonds and loan agreements 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, 2018, the City believes it is in compliance with these requirements.

Summary of New Debt Issuances

During fiscal year 2018, the City had additional drawdowns in the amount of \$24,706,171 on the state revolving fund WW520630 loan.

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.

Debt Specific Disclosures

The City's outstanding notes from direct borrowings related to governmental activities of \$56 million contains provisions that (1) upon the continuance of a default event or acceleration of other outstanding debt repayment of outstanding amounts become immediately due and (2) in the event of a prepayment, in addition to the outstanding principal and interest, the City will incur a prepayment fee.

The City's outstanding Professional Sports Facility Sales Tax Revenue Bond related to governmental activities of \$13 million contains provisions that upon the continuance of a default event the lender may declare the outstanding principal is immediately due and the interest rate will increase to the lesser of (1) 15 percent per annum or (2) the maximum lawful rate.

The City's outstanding Public Utility State Revolving Fund Loans from direct placements related to business-type activities of \$11 million contain provisions where the lender may terminate the agreement if the City has not drawn any of the loan proceeds within 18 months of issuance and in the event of default the lender may (1) establish rates for the utility system, (2) require account for

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS – (Continued)

all funds related to pledged revenues, (3) appoint a receiver to manage the utility system and related revenues, or (4) accelerate the repayment schedule and increase interest.

The City's outstanding Hancock Bank Non-ad Valorem Revenue Notes related to business-type activities of \$2 million contain a provision that in the event of default, the timing of repayment of outstanding amounts become immediately due if the City fails to make a payment, perform covenant provisions or defaults on any other outstanding debt.

The City's outstanding Public Utility Subordinate Lien Bond Anticipation Note from direct placement/borrowing related to business-type activities of \$120 million contains a provision that in the event of default, the interest rate will increase by four percent if the City fails to make a payment. On October 4, 2018 the City paid off the \$120 million Bond Anticipation Note. See subsequent event footnote.

Other than the debt service accounts, the City has no other assets pledged as collateral for outstanding debt related to governmental and business-type activities.

The City has no outstanding lines of credit as of the fiscal year ended September 30, 2018.

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.

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 2018, \$37,218 was amortized and recognized as contribution revenue on the government wide financial statements leaving a balance of \$1,488,728 at September 30, 2018, which is included in summary of the long term obligations for Governmental Activities.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS – (Continued)

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	\$ 1,784	3.11% -3.18%	09/15/20
May 4, 2000	11/15/02	CS120521020	3,587	1,022	3.33%	11/15/22
Nov 2, 2001	09/15/03	CS12052104P	446	138	3.05%	09/15/23
Nov 8, 2001	09/15/04	CS120521030	5,852	1,817	2.93% - 3.05%	09/15/23
Dec 5, 2003	01/15/04	WW52105L	4,519	1,508	2.96%	01/15/24
May 18, 2011	04/08/14	WW520600	6,487	4,959	2.67%	11/15/32
			<u>\$ 34,119</u>	<u>\$ 11,228</u>		

Loans Currently in Drawdown:

Feb 3, 2016	N/A	WW520630	\$ 45,076,840
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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, 2018, the City has expended \$45,076,839 in eligible costs under the loan agreement.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS – (Continued)

Annual Debt Service Requirements to Maturity

Debt Service requirements at September 30, 2018 were as follows (in thousands of dollars):

Year End	<u>Governmental Activities</u>				
	Revenue Bonds		Notes from Direct Borrowings		
	Principal	Interest	Principal	Interest	Subsidy (1)
2019	\$ 2,230	\$ 2,336	\$ 9,284	\$ 1,001	(79)
2020	2,440	2,248	9,459	821	(74)
2021	2,705	2,149	29,679	455	(70)
2022	5,645	1,984	2,695	152	(66)
2023	5,850	1,757	2,746	99	(61)
2024-2028	28,275	5,366	847	282	(229)
2029-2033	21,425	1,304	1,022	102	(83)
Total	<u>\$ 68,570</u>	<u>\$ 17,144</u>	<u>\$ 55,732</u>	<u>\$ 2,912</u>	<u>\$ (662)</u>

Year End September 30	Business- Type Activities							
	Water Resources						Stormwater	
	Revenue Bonds			Notes from Direct Placements (2)		Revenue Bonds		
	Principal	Interest	(1) Subsidy	Principal	Interest	Principal	Interest	
2019	\$ 9,169	\$ 15,178	\$ (1,092)	\$ 122,000	\$ 1,935	\$ 376	\$ 339	
2020	8,670	14,845	(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	171	1,832	257	
2023	9,571	13,888	(1,136)	1,141	121	1,864	224	
2024-2028	53,403	63,647	(5,557)	1,859	364	9,822	617	
2029-2033	75,882	52,335	(5,275)	1,748	119	2,068	18	
2034-2038	95,015	36,153	(4,715)	-	-	-	-	
2039-2043	95,690	14,362	(1,467)	-	-	-	-	
2044-2047	23,105	1,318	-	-	-	-	-	
Total	\$ 388,688	\$ 240,512	\$ (22,695)	\$ 131,228	\$ 3,141	\$ 19,532	\$ 2,064	

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 2019 is reduced by 6.20% 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 \$45,076,839 as of September 30, 2018.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS – (Continued)

Year End September 30	Business- Type Activities			
	Sanitation		Non- Major Business Activities	
	Notes from Direct Borrowings			
	Principal	Interest	Principal	Interest
2019	\$ 1,260	\$ 25	\$ 595	\$ 129
2020	280	14	600	117
2021	285	10	615	105
2022	285	6	625	93
2023	290	2	245	81
2024-2028	-	-	1,360	280
2029-2033	-	-	920	59
Total	\$ 2,400	\$ 57	\$ 4,960	\$ 864

Deferred Outflows of Resources - Debt Refunding

At September 30, 2018 the City reported the following changes in deferred outflows of resources related to the deferred amounts on refunding for bonds.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Balances, Beginning	\$ 748,171	\$ 8,285,809	\$ 9,033,980
Adjustments	-	1,870,000	1,870,000
Reductions	(152,317)	(733,975)	(886,292)
Balances, Ending	<u>\$ 595,854</u>	<u>\$ 9,421,834</u>	<u>\$ 10,017,688</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, 2018 mature in varying amounts during succeeding fiscal years through 2047. Interest rates are as follows: 1.75% to 6.60% on Revenue Bonds and 1.36% 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, 2018

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Debt payable and interest requirements at September 30, 2018 were as follows (in thousands of dollars):

	Original Issue Par	Debt Payable 9/30/18	Interest Requirements To Maturity	Total
Revenue Bonds				
2014 Professional Sports Facility Bond, Series 2014	\$ 16,340	\$ 13,315	\$ 1,709	\$ 15,024
2016A Public Service Tax Revenue Bonds (Pier 2016B Public Service Tax Revenue Bonds (Pier Approach))	37,695	37,695	10,854	48,549
	18,510	17,560	4,582	22,142
2009A Public Utility Refunding Revenue Bonds	53,015	1,220	46	1,266
2009B Public Utility Refunding Revenue Bonds	23,375	3,105	78	3,183
2010A Public Utility Revenue - Build America Bonds	29,685	27,360	27,775	55,135
2010B Public Utility Revenue - Recovery Zone	19,695	19,695	28,992	48,687
2013A Public Utility Revenue Bonds	41,925	39,475	26,472	65,947
2013B Public Utility Refunding Revenue Bonds	43,500	41,820	19,226	61,046
2013C Public Utility Revenue Bonds	24,995	24,995	19,355	44,350
2014A Public Utility Revenue Bonds	34,245	32,825	17,955	50,780
2014B Public Utility Refunding Revenue Bonds	43,230	41,465	20,931	62,396
2015 Public Utility Revenue Bonds	30,190	29,605	17,390	46,995
2016A Public Utility Refunding Bonds	49,755	48,830	5,157	53,987
2016B Public Utility Refunding Bonds	53,025	52,710	27,202	79,912
2016C Public Utility Revenue Bonds	45,115	45,115	31,997	77,112
Total Revenue Bonds	<u>\$ 564,295</u>	<u>476,790</u>	<u>259,721</u>	<u>736,511</u>
Less: Direct Subsidy Payments (Note 1)		-	(22,695)	(22,695)
Less: Unamortized Premiums and Discounts		16,467	-	16,467
Net Revenue Bonds		<u>493,257</u>	<u>237,026</u>	<u>730,283</u>
Notes Payable				
2008B Bank of America Note	\$ 1,874	552	41	593
2014 Hancock Bank Note	6,075	2,400	58	2,458
2017A TD Bank Commission Note-Marina Project	2,525	2,525	741	3,266
2017B TD Bank Commission Note- Marina Project (Refund 2007)	3,201	2,435	122	2,557
2017C TD Bank Non-Ad Valorem Revenue Note	40,095	40,095	1,472	41,567
2017D TD Bank Non-Ad Valorem Revenue Note	12,515	12,515	584	13,099
2017E BOA Non-Ad Valorem Revenue Notes	2,570	2,570	815	3,385
2017 Public Utility Subordinate Lien Bond Anticipation Note	120,000	120,000	1,623	121,623
State Revolving Loans (Note 2)	34,118	11,228	1,517	12,745
Total Notes Payable	<u>\$ 222,973</u>	<u>194,320</u>	<u>6,973</u>	<u>201,293</u>
Less: Direct Subsidy Payments (Note 1)		-	(661)	(661)
Net Notes Payable		<u>194,320</u>	<u>6,312</u>	<u>200,632</u>
Total Bonds and Notes		<u>\$ 687,577</u>	<u>\$ 243,338</u>	<u>\$ 930,915</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 2019 is reduced by 6.20% 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, 2018

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Pledged Revenue

The City has pledged certain revenues to repay bonds and notes outstanding as of September 30, 2018. 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, 2018 (in thousands of dollars).

Description of Issue	Pledged Revenue	Revenue Received	Principal & Interest Paid	Estimated % of Revenues Pledged		Outstanding Principal & Interest	Pledged Through
Governmental Activities							
Banc of America Leasing and Capital Taxable Non Ad Valorem Revenue Note (QECCB) (Solar Panels at City Facilities)	State Revenue Sharing, State Sales Tax, Tourist Development Tax	\$ 165,861	\$ 105	0.06	%	\$ 3,385	2032
Professional Sports Facility Sales Tax Refunding Revenue Bonds, Series 2014 (Refunding Series 2003 Bonds: Tropicana Field and Parking)	State Sales Tax	\$ 2,000	\$ 1,596	79.80	%	\$ 15,024	2025
Banc 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	\$ 165,861	\$ 195	0.12	%	\$ 593	2021
TD Bank Non Ad Valorem Revenue Note, Series 2017C and 2017 D (Police Facilities)	Legally Available Non Ad-Valorem Revenues	\$ 165,861	\$ 1,015	0.61	%	\$ 54,666	2022
Public Service Tax Revenue Bonds, Series 2016A and 2016B (Pier and Pier Approach Projects)	Public Service Tax	\$ 28,476	\$ 2,515	8.83	%	\$ 70,691	2020
Total Governmental Activities			<u>\$ 5,426</u>			<u>\$ 144,359</u>	

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Description of Issue	Pledged Revenue	Revenue Received	Principal & Interest Paid (1)	Estimated % of Revenues Pledged		Outstanding Principal & Interest (1)	Pledged Through
<u>Business Type Activities</u>							
Public Utility Revenue Bonds, Series 2009A, 2010A, 2010B, 2013A, 2013C, 2014A, 2015 and Public Utility Refunding Revenue Bonds, Series 2009B, 2013B, 2014B, 2016A, 2016B, 2016C (Water, Wastewater and Reclaimed Water Projects)	Net Operating Revenues of the Water & Wastewater System	\$ 61,125	\$ 24,423	39.96	%	\$ 650,796	2046
Hancock Bank Revenue Notes, Series 2014	Legally Available Non Ad-Valorem Revenues	\$ 165,861	\$ 1,294	0.78	%	\$ 2,458	2023
State Revolving Fund Loans (Construction and Improvement Projects to Wastewater Facilities) (2)	Net Operating Revenues of the Water & Wastewater System	\$ 61,125	\$ 2,312	3.78	%	\$ 12,745	2032
TD Bank Non Ad Valorem Revenue Note Series 2017A and 2017B (Marina)	Legally Available Non Ad-Valorem Revenues	\$ 165,861	\$ 720	0.43	%	\$ 5,823	2031
Total Business-Type Activities			<u>\$ 28,749</u>			<u>\$ 671,822</u>	

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

Note 2: Does not include Clean Water State Revolving Fund Construction loan WW520630. The total amount expended is \$45,076,839 as of September 30, 2018.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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		County	State Awards	Federal Awards	Interest Subsidy	Fund Balance	Total
		City	County						
2019	\$ 3,450	1,619	1,125	6,565	1,991	197	74	(170)	\$ 14,851
2020	3,323	1,727	1,200	6,685	1,979	198	74	(218)	14,968
2021	3,115	3,401	2,364	26,750	1,976	199	70	(2,887)	34,988
2022	2,782	3,399	2,362	-	1,961	-	66	(94)	10,476
2023	2,784	3,402	2,364	-	1,951	-	61	(110)	10,452
2024-2028	901	17,001	11,814	-	3,378	-	229	1,447	34,770
2029-2033	1,041	10,197	7,086	-	-	-	83	5,446	23,853
	<u>\$ 17,396</u>	<u>\$ 40,746</u>	<u>\$ 28,315</u>	<u>\$ 40,000</u>	<u>\$ 13,236</u>	<u>\$ 594</u>	<u>\$ 657</u>	<u>\$ 3,414</u>	<u>\$ 144,358</u>

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	Water Resources Debt Proceeds	Fund Balance	Total
2019	\$ 16,684	2,105	296	724	1,091	245	120,000	9,861	\$ 151,006
2020	24,091	2,104	297	717	1,155	245	-	319	28,928
2021	23,488	2,105	293	720	1,148	245	-	(166)	27,833
2022	23,782	2,105	294	718	1,140	245	-	(176)	28,108
2023	23,282	2,104	-	326	1,132	245	-	338	27,427
2024-2028	113,402	10,524	-	1,640	5,534	1,227	-	(975)	131,352
2029-2033	127,693	-	-	979	5,243	1,225	-	(1,992)	133,148
2034-2038	127,573	-	-	-	4,577	1,225	-	(2,207)	131,168
2039-2043	86,602	-	-	-	1,094	1,085	-	21,271	110,052
2044-2047	7,396	-	-	-	-	300	-	16,727	24,423
	<u>\$ 573,993</u>	<u>21,047</u>	<u>1,180</u>	<u>5,824</u>	<u>22,114</u>	<u>6,287</u>	<u>120,000</u>	<u>43,000</u>	<u>\$ 793,445</u>

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, 2018.

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, 2018

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, 2018, 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, 2018, the aggregate principal amount of all Outstanding Private Activity Bonds is \$144.6 million.

NOTE 15 – NET INTEREST EXPENSE ON DEBT

The computation of interest expense on debt in the Enterprise Funds at September 30, 2018 is shown below:

	Water Resources	Stormwater	Sanitation	Marina
Interest Paid on Debt	\$ 15,534,888	\$ 346,015	\$ 43,560	\$ 140,245
Less: Accrued Interest 9/30/17	(7,897,295)	(174,143)	(26,280)	(35,061)
Plus: Accrued Interest 9/30/18	9,359,167	170,905	17,280	32,190
Interest Expense on State Revolving Loan	371,688	-	-	-
Amortization of Deferred Gain/Loss on Bond Refunding	677,730	56,246	-	-
Total Interest Cost	<u>18,046,178</u>	<u>399,023</u>	<u>34,560</u>	<u>137,374</u>
Interest Subsidy	(1,090,606)	-	-	-
Accrued Interest Subsidy 9/30/17	547,467	-	-	-
Accrued Interest Subsidy 9/30/18	(547,349)	-	-	-
Net Interest Subsidy	<u>(1,090,488)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Interest Expense on Debt	<u>\$ 16,955,690</u>	<u>\$ 399,023</u>	<u>\$ 34,560</u>	<u>\$ 137,374</u>

The Airport nonmajor enterprise fund paid \$50,288 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 - Public Utility System	\$ 18,742,608
State revolving notes debt service - Public Utility System	919,413
Revenue bonds and notes payable debt service reserve - Public Utility System	17,401,307
Revenue bonds and notes payable debt service reserve - Sanitation	1,277,280
Debt proceeds for construction (unexpended) - Public Utility System	119,027,289
Debt proceeds for construction (unexpended) - Marina	2,363,552
Total	<u>\$ 159,731,449</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 16 – RESTRICTED ASSETS (continued)

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

Revenue bonds current debt service amount	\$ 3,418,758
Bond proceeds for construction (unexpended)	51,654,365
Total	<u>\$ 55,073,123</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, 2018.

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, 2018.

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, 2018

NOTE 17 – RISK MANAGEMENT - (Continued)

At September 30, 2018, the health insurance fund had net position of \$14,842,135 (health insurance fund included in the Insurance internal service fund). Included as a liability of the fund at September 30, 2018 was incurred but not reported claims (IBNR) of \$3,400,000.

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, 2018, 2017, and 2016. 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 9/30/15	\$ 2,395,671	\$ 39,581,000	\$ 9,653,000	\$ 51,629,671
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 (Paid) 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	3,079,978	44,703,000	8,286,000	56,068,978
Balance 9/30/17	3,079,978	44,703,000	8,286,000	56,068,978
Recoveries Claims	(44,816,025)	(2,978,056)	(1,353,313)	(49,147,394)
Incurred Claims	45,136,047	6,088,056	228,313	51,452,416
Balance 9/30/18	<u>\$ 3,400,000</u>	<u>\$ 47,813,000</u>	<u>\$ 7,161,000</u>	<u>\$ 58,374,000</u>

Current portion of claims liabilities were estimated at \$3,400,000 for Health Insurance, \$7,085,000 for Workers' Compensation and \$1,959,000 for Auto and General Liability as of September 30, 2018. Actuarial valuation of the claims liabilities were calculated as of September 30, 2016, 2017 and 2018, respectively.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 18 – EMPLOYEE DEFINED BENEFIT PENSION PLANS

Fiduciary Net Position - Pension Trust
September 30, 2018

	Employees Retirement Fund	Fire Pension Fund	Police Pension Fund	Total
Assets				
Cash & Cash Equivalents	\$ 435,110	\$ 654,172	\$ 914,053	\$ 2,003,335
Trustee Accounts	14,982,145	3,936,354	9,633,038	28,551,537
Receivables:				
Interest and Dividends	900,746	510,090	632,680	2,043,516
Accounts	10,080	-	-	10,080
Unsettled Investment Sales	246,810	2,250	41,459	290,519
Prepays & Deposits	6,926	6,925	6,924	20,775
Investments, at Fair Value				
DROP Investments	11,131,799	23,583,917	28,538,400	63,254,116
Government Securities	20,813,624	22,712,481	31,799,080	75,325,185
Corporate Bonds	56,173,783	33,358,546	28,599,914	118,132,243
Common and Preferred Stocks	246,182,233	17,517,417	287,343,389	551,043,039
Mutual Funds	62,007,503	193,051,614	43,130,705	298,189,822
Alternative Investments	41,374,727	-	29,336,951	70,711,678
Total Assets	<u>454,265,486</u>	<u>295,333,766</u>	<u>459,976,593</u>	<u>1,209,575,845</u>
Liabilities				
Accounts	2	21,250	28	21,280
Unsettled Investment Purchases	345,711	-	1,318,810	1,664,521
DROP Liability	11,131,799	23,583,917	28,538,400	63,254,116
Total Liabilities	<u>11,477,512</u>	<u>23,605,167</u>	<u>29,857,238</u>	<u>64,939,917</u>
Net Position				
Net Position Restricted for Pensions	442,787,974	271,728,599	430,119,355	1,144,635,928
Total Net Position	<u>\$ 442,787,974</u>	<u>\$ 271,728,599</u>	<u>\$ 430,119,355</u>	<u>\$ 1,144,635,928</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

Changes in Fiduciary Net Position - Pension Trust
Fiscal Year Ended September 30, 2018

	Employees Retirement Fund	Fire Pension Fund	Police Pension Fund	Total
Additions				
Contributions				
Employer	\$ 10,965,921	\$ 1,886,213	\$ 7,315,889	\$ 20,168,023
Employees	1,603,955	1,369,948	2,569,417	5,543,320
State Insurance Fund	-	1,685,634	2,141,303	3,826,937
Total Contributions	<u>12,569,876</u>	<u>4,941,795</u>	<u>12,026,609</u>	<u>29,538,280</u>
Investment Income				
Net Increase (Decrease) in Fair Value of Investments	24,662,596	18,437,083	31,043,252	74,142,931
Interest on Investments	2,577,689	2,184,569	1,836,885	6,599,143
Dividends on Stock	7,633,165	3,959,697	8,125,570	19,718,432
Total Investment Income	34,873,450	24,581,349	41,005,707	100,460,506
Less Investment Expense	(1,833,042)	(487,880)	(1,621,979)	(3,942,901)
Net Investment Income	33,040,408	24,093,469	39,383,728	96,517,605
Total Additions	<u>45,610,284</u>	<u>29,035,264</u>	<u>51,410,337</u>	<u>126,055,885</u>
Deductions				
Benefits	21,537,875	15,621,129	24,372,992	61,531,996
Deferred Retirement Option Contributions	2,381,117	2,446,292	4,160,890	8,988,299
Refunds on Contributions	154,575	47,004	190,054	391,633
Administrative Expenses	17,589	22,326	25,116	65,031
Total Deductions	<u>24,091,156</u>	<u>18,136,751</u>	<u>28,749,052</u>	<u>70,976,959</u>
Changes in Net Position	<u>21,519,128</u>	<u>10,898,513</u>	<u>22,661,285</u>	<u>55,078,926</u>
Net Position - October 1	421,268,846	260,830,086	407,458,070	1,089,557,002
Net Position - September 30	<u>\$ 442,787,974</u>	<u>\$ 271,728,599</u>	<u>\$ 430,119,355</u>	<u>\$ 1,144,635,928</u>

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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 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.

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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 10/1/2017:

<u>Number of Participants</u>	<u>Employees' Retirement System</u>	<u>Firefighters' Retirement System</u>	<u>Police Officers' Retirement System</u>
Retirees and beneficiaries receiving benefits	1,316	466	686
Terminated plan participants entitled to but not yet receiving benefits	208	10	48
Active plan participants	1,566	300	465
Total	<u>3,090</u>	<u>776</u>	<u>1,199</u>

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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:

<u>Years of credited service during:</u>	<u>Percentage</u>
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.

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

Firefighters' Retirement System

Members with 20 years of credited service under the prior plan and members at the earlier of 25 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 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.

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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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.

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 \$1,685,634 and \$2,141,303 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, 2018, is approximately \$196 million. The Firefighter's Retirement System and Police Officers' Retirement System require employee

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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, 2018, the City's average contribution rates as a percentage of covered payroll are as follows:

	Covered Payroll	Contribution	Average Contribution Rate
Employees' Retirement System	\$ 81,346,925	\$ 10,965,921	13%
Firefighters' Retirement System	19,574,164	1,886,213	10%
Police Officers' Retirement System	37,088,733	7,315,889	20%

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 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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

The following was the Board's adopted asset allocation policy as of September 30, 2018 by investment manager type:

	<u>% Range</u>	<u>% Target</u>
Traditional Asset Classes		
Equity Managers		
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)	-%	-%
Total Equity	60.00 - 50.00%	55.00%
Fixed Income Managers	30.00 - 20.00%	25.00%
Total Traditional Asset Classes		80.00%
Alternative Asset Classes		
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	-%	-%
Private equity	-%	-%
Total Alternative Asset Classes		20.00%
Total Traditional & Alternative		100%

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

- 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, 2018 by investment manager type:

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

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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, 2018 by investment manager type:

	<u>% Range</u>	<u>% Target</u>	<u>Target Index</u>
Traditional Asset Classes			
Equity Managers			
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
Total Equity		65.00%	
Fixed Income Managers	25.00–15.00%	20.00%	BC Int. Gov't/Credit
Total Traditional Asset Classes		85.00%	
Alternative Asset Classes			
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.
Total Alternative Asset Classes		15.00%	
Total Traditional & Alternative		100.00%	

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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

Money-Weighted Rate of Return. For the year ended September 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.91%, 9.80% and 9.87% 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, 2018 the accumulated balance in the Police Officers' Retirement System and the Firefighters' Retirement System was \$1,101,241 and \$13,475,982, 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, 2018, participants and amounts deferred in the DROP plans are as follows:

	Participants	Custodial Assets
Employees' Retirement System	107	\$ 11,131,799
Firefighters' Retirement System	47	\$ 23,583,917
Police Officers' Retirement System	60	\$ 28,538,400

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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 (asset) 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 Liability Components

The components of the net pension (asset) liability by retirement system at September 30, 2018 were as follows:

	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System
Total pension liability	\$ 466,031,373	\$ 248,832,438	\$ 461,484,374
Plan fiduciary net position	(442,787,974)	(271,728,599)	(430,119,355)
Retirement Plan's net pension (asset) liability	<u>\$ 23,243,399</u>	<u>\$ (22,896,161)</u>	<u>\$ 31,365,019</u>
Plan fiduciary net position as a percentage of the total pension (asset) liability	95.01%	109.20%	93.20%

Actuarial Assumptions

The total pension liability was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2017 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, 2018

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

The total pension liability for each pension plan as of September 30, 2018 was determined based on a roll-forward of entry age normal liabilities from the October 1, 2017 actuarial valuation, using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Employees'</u> <u>Retirement System</u>	<u>Firefighters'</u> <u>Retirement System</u>	<u>Police Officers'</u> <u>Retirement System</u>
Investment rate of return (net investment expenses)	7.70%	7.50%	7.95%
Inflation	2.75%	2.75%	2.75%
Salary increases	4.50% to 8.00%	4.00% to 8.00%	4.50% to 8.00%
Aggregate compensation increase annually	0.20%	-%	1.60%
Cost of living adjustments (prior plan)	2.00%	4.00%	4.00%
Cost of living adjustments (supplemental plan)	1.50%	4.00%	2.00%
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

Employees Retirement System : The interest rate assumption has decreased from 7.75% to 7.70% to better reflect future expectations of market returns and long-term inflation. The annual pay increase assumptions, the rates of retirement assumptions, and the rates of withdrawal assumption have all been changed based on recent plan experience. The amortization method has been lowered from a 30-year closed amortization to a 25-year closed amortization. The aggregate payroll growth rate (used to determine the amortization of unfunded liability bases) has been increased to 0.3% (from 0.2%), as limited by the ten-year average historical growth in payroll.

Firefighters' Retirement System : The Plan now allows for unreduced retirement at 25 years of service (from 30 years of service) or age 55 (from age 53), in addition to the existing retirement eligibility of age 50 with 10 years of credited service. The overtime pay (up to 80 hours for the fiscal year beginning 10/1/2017, then up to 100 hours for the fiscal years beginning 10/1/2018 and thereafter), and driver engineer pay is now included in the definition of pensionable compensation.

The interest rate assumption has been decreased from 8.0% to 7.50% to better reflect future expectations of market returns and long-term inflation. The change in interest assumptions results in an increase in accrued liability and normal cost. The annual pay increase assumptions, the rates of retirement assumption, and the termination rates assumption (increased by 50%) based on recent plan experience. The amortization method has been lowered from a 30-year closed amortization to a 25-year closed amortization. The plan currently does not have an unfunded actuarial accrued liability.

City of St. Petersburg, Florida
Notes to the Financial Statements
 September 30, 2018

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

Police Officers' Retirement System: The discount rate was changed from 8.00% to 7.95% to better reflect recent experience and anticipated future returns. Aggregate compensation is assumed to increase 2.00% per year (up from 1.6% 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, 2018

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

Discount rate

The discount rate used to measure the total pension liability was 7.70% for ERS, 7.50% for Fire and 7.95% for 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 liability to changes in the discount rate (Pension Plan Reporting)

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

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Employees' Retirement			
System net pension liability (asset)	\$ 78,051,577 6.70%	\$ 23,243,399 7.70%	\$ (22,906,102) 8.70%
Firefighters' Retirement			
System net pension liability (asset)	\$ 5,664,005 6.50%	\$ (22,896,161) 7.50%	\$ (46,477,753) 8.50%
Police Officers' Retirement			
System net pension liability (asset)	\$ 88,522,486 6.95%	\$ 31,365,019 7.95%	\$ (15,834,867) (8.95)%

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, 2018

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, 2018 is based on a measurement date of September 30, 2017 and the total pension liability as of September 30, 2017 was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2016 actuarial valuation (using below detail actuarial assumptions) applied to all periods included in the measurement. The net pension (asset) liability by retirement system recorded to the City's financial statements as of September 30, 2018 is as follows.

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

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, 2018

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:

	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System
Investment rate of return (net investment expenses)	7.75%	8.00%	8.00%
Inflation	3.00%	3.00%	3.00%
		1.00% to 5.50% for FY 2016 and 5.00% to 9.50% thereafter	
Salary increases	5.00% to 8.50%		4.50% to 8.00%
Aggregate compensation increase annually	0.20%	-%	1.60% 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)	1.50% and 2.00% thereafter	4.00%	
Cost of living adjustments (supplemental plan)	1.50% 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	
Mortality Rate Table			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.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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 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.

Changes in Net Pension Liability (Employer Reporting)

The detailed changes in the net pension liability for each of the three retirement systems in fiscal 2018 is as follows, based on actuarial date one year prior:

Employees' Retirement System			
Change in the Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset (Liability)
Balances at September 30, 2017	\$ 437,564,715	\$ 387,352,418	\$ 50,212,297
Changes for the year:			
Service Cost	\$ 8,836,802	\$ -	\$ 8,836,802
Interest	33,728,786	-	33,728,786
Differences between expected and actual experience	(19,356,752)	-	(19,356,752)
Changes in assumptions	11,604,792	-	11,604,792
Contributions - City	-	10,310,841	(10,310,841)
Contributions - Member	-	1,524,795	(1,524,795)
Net investment income	-	44,485,454	(44,485,454)
Benefit payments, including refunds of employee contributions	(22,386,649)	(22,386,649)	-
Administrative expenses	-	(18,013)	18,013
Net changes	<u>\$ 12,426,979</u>	<u>\$ 33,916,428</u>	<u>\$ (21,489,449)</u>
Balances at September 30, 2018	<u>\$ 449,991,694</u>	<u>\$ 421,268,846</u>	<u>\$ 28,722,848</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

Firefighters' Retirement System

Change in the Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Asset (Liability)
Balances at September 30, 2017	\$ 222,725,139	\$ 245,210,495	\$ (22,485,356)
Changes for the year:			
Service Cost	\$ 3,799,931	\$ -	\$ 3,799,931
Interest	17,409,095	-	17,409,095
Differences between expected and actual experience	(636,656)	-	(636,656)
Changes in assumptions	6,108,843	-	6,108,843
Contributions - City	-	1,378,771	(1,378,771)
Contributions - Member	-	1,735,698	(1,735,698)
Contributions - State	-	1,175,184	(1,175,184)
Net investment income	-	29,199,381	(29,199,381)
Benefit payments, including refunds of employee contributions	(17,822,766)	(17,822,766)	-
Administrative expenses	-	(46,677)	46,677
Net changes	<u>\$ 8,858,447</u>	<u>\$ 15,619,591</u>	<u>\$ (6,761,144)</u>
Balances at September 30, 2018	<u>\$ 231,583,586</u>	<u>\$ 260,830,086</u>	<u>\$ (29,246,500)</u>

Police Officers' Retirement System

Change in the Net Pension Liability	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2017	\$ 418,846,742	\$ 378,355,807	\$ 40,490,935
Changes for the year:			
Service Cost	\$ 6,807,919	\$ -	\$ 6,807,919
Interest	32,936,579	-	32,936,579
Differences between expected and actual experience	(4,097,533)	-	(4,097,533)
Change in assumptions	13,447,739	-	13,447,739
Contributions - City	-	7,562,663	(7,562,663)
Contributions - Member	-	1,969,105	(1,969,105)
Contributions - State	-	2,413,249	(2,413,249)
Net investment income	-	45,069,674	(45,069,674)
Benefit payments, including refunds of employee contributions	(27,878,713)	(27,878,713)	-
Administrative expenses	-	(33,715)	33,715
Net changes	<u>\$ 21,215,991</u>	<u>\$ 29,102,263</u>	<u>\$ (7,886,272)</u>
Balances at September 30, 2018	<u>\$ 440,062,733</u>	<u>\$ 407,458,070</u>	<u>\$ 32,604,663</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

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:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Employees' Retirement			
System net pension liability (asset)	\$ 77,256,677 6.75%	\$ 28,722,848 7.75%	\$ (15,078,936) 8.75%
Firefighters' Retirement			
System net pension liability (asset)	\$ (7,312,331) 7.00%	\$ (29,246,500) 8.00%	\$ (49,282,944) 9.00%
Police Officers' Retirement			
System net pension liability (asset)	\$ 82,109,084 7.00%	\$ 32,604,663 8.00%	\$ (11,911,933) 9.00%

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

For the year ended September 30, 2018, the City recognized pension expense (benefit) related to the change in net pension liability and related components of (\$212,317) (\$3,786,353) and \$3,969,895 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, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the below sources for each pension plan.

	<u>Employees' Retirement System</u>	<u>Firefighters' Retirement System</u>	<u>Police Officers' Retirement</u>	<u>Total</u>
Difference between expected and actual experience (2017)	\$ 4,872,561	\$ 1,406,039	\$ 6,805,254	13,083,854
Change in Assumptions (2018)	9,283,835	4,887,074	10,758,191	24,929,100
Employer contributions made between measurement date and the reporting date	10,965,921	1,886,213	7,315,889	20,168,023
Balances, Ending	<u>\$ 25,122,317</u>	<u>\$ 8,179,326</u>	<u>\$ 24,879,334</u>	<u>\$ 58,180,977</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

	Deferred Inflow of Resources			
	Employees'	Firefighters'	Police	
	Retirement	Retirement	Officers'	
	System	System	Retirement	Total
Difference between expected and actual experience 2018	\$ (15,482,160)	\$ (509,325)	\$ (3,281,271)	\$ (19,272,756)
Difference between expected and actual experience 2016	(2,655,546)	(189,944)	(126,368)	(2,971,858)
Differences between expensed and actual earnings (FY's Net)	(441,369)	(6,999,495)	(2,035,176)	(9,476,040)
Changes of assumptions	(1,524,905)	(1,275,069)	(518,776)	(3,318,750)
Total	<u>\$ (20,103,980)</u>	<u>\$ (8,973,833)</u>	<u>\$ (5,961,591)</u>	<u>\$ (35,039,404)</u>

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, \$20,168,023, will be recognized as a reduction of the net pension liability in the fiscal year ending September 30, 2019. Other amounts reported as deferred outflows of resources related to the pension plans will be recognized in pension expense as follows:

	Future Years' Recognition of Deferred Outflows			
	Employees'	Firefighters'	Police Officers'	
	Retirement	Retirement	Retirement	
Fiscal Year	System	System	System	Total
9/30/2019	3,945,146	1,690,445	6,092,174	11,727,765
9/30/2020	3,945,146	1,690,445	6,092,174	11,727,765
9/30/2021	3,945,146	1,690,455	2,689,549	8,325,150
9/30/2022	2,320,958	1,221,768	2,689,548	6,232,274
9/30/2023	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ 14,156,396</u>	<u>\$ 6,293,113</u>	<u>\$ 17,563,445</u>	<u>\$ 38,012,954</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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

Other amounts reported as deferred inflows of resources related to the Pensions Plans will be recognized in pension expense as follows:

Fiscal Year	Future Years' Recognition of Deferred Inflows			Total
	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System	
9/30/2019	4,636,030	2,861,759	153,044	7,650,833
9/30/2020	2,263,397	303,031	(2,174,991)	391,437
9/30/2021	6,358,975	3,656,564	4,073,918	14,089,457
9/30/2022	6,845,578	2,152,479	3,909,620	12,907,677
9/30/2023	-	-	-	-
Thereafter	-	-	-	-
	<u>\$ 20,103,980</u>	<u>\$ 8,973,833</u>	<u>\$ 5,961,591</u>	<u>\$ 35,039,404</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.

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, 2018, the rate was 11% of pre-deferral salary. The total City contribution to the 401a plan was \$1,613,185 or 11% of covered payroll. For the fiscal year ended September 30, 2018, payroll covered by this plan was \$14.6 million compared to the total City payroll of approximately \$196 million.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

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 50 members receiving supplemental payments, including 45 retired members, 3 disabled members, and 2 beneficiaries.

Liability

The City obtained an actuarial valuation for the liability as of September 30, 2018. The City's long term obligation as of September 30, 2018 associated with the supplemental payments for participating police officers is \$1,061,000, as reported in noncurrent liabilities on 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 Retirements 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

Background

The City sponsors a single employer defined benefit "other post-employment benefit" ("OPEB") plan to retirees who meet certain age and service requirements. GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* establishes standards of accounting and financial reporting for defined benefit OPEB and defined contribution OPEB that are provided to the employees of state and local governments through both plans that are administered through trusts or for plans that are not administered through trusts that meet certain criteria.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. The City recognizes the cost of providing benefits by expensing monthly premiums, on a pay-as-you-go basis.

Benefits Provided

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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)

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.

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 offers vision, dental, and AD&D policies paid for entirely by active and retired employees.

Employees covered by benefit terms

At September 30, 2018 the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	1,224
Active Participants	<u>2,504</u>
	<u><u>3,728</u></u>

Total OPEB Liability

The City's total OPEB Liability of \$218,890,778 was measured as of October 1, 2017 and was determined by an actuarial valuation as of that date.

Actuarial assumptions and other inputs

The total OPEB liability in the October 1, 2017 actuarial valuation was determined using actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	8.00% to 4.00% for Fire Pension, 8.00% to 4.5% for Police Pension, ERS Pension and 401a Plan
Discount Rate	3.63%
Cost Method	Entry Age Normal Level % of Salary
Healthcare Cost Trend Rates	7.50% decreasing to an ultimate rate of 5.00%

The discount rate was based on a yield for 20 year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale). The discount rate was 3.10% as of October 1, 2016 and 3.63% as of September 30, 2017 for accounting disclosures purposes.

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)

The actuarial assumptions used in the valuation were based on the results of an actuarial experience study in 2017.

Mortality rates were based on the following:

Active and Healthy Retiree Groups	Male	Female
ERS and 401(a)	RP-2000, 50% Annuitant White Collar, 50% Annuitant Blue Collar, projected on a fully generational basis using scale BB	RP-2000, 100% Annuitant White Collar, projected on a fully generational basis using scale BB
Police and Fire	Annuitant Blue Collar, projected on a fully generational basis using scale BB	RP-2000, 100% Annuitant White Collar, projected on a fully generational basis using scale BB
Disabled Groups	Male	Female
ERS and 401(a)	RP-2000 Disabled Retiree, set back four years	RP-2000 Disabled Retiree, set forward two years
Police and Fire	60% RP-2000 Disabled Retiree set back four years, 40% RP-2000 Annuitant White Collar	60% RP-2000 Disabled Retiree set forward two years, 40% RP-2000 Annuitant White Collar

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2017	<u>\$ 239,071,567</u>
Changes for the year:	
Service Cost	5,766,009
Interest	7,496,906
Changes of benefit terms	-
Difference between expected and actual experience	(8,415,064)
Changes in assumptions or other inputs	(18,978,640)
Benefit payments	<u>(6,050,000)</u>
Net Changes	(20,180,789)
Balance at 9/30/2018	<u><u>\$ 218,890,778</u></u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)

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

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

	1% Decrease	Discount Rate	1% Increase
	2.63%	3.63%	4.63%
Total OPEB Liability	249,335,080	218,890,778	193,968,300

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (6.50% decreasing to 4.00%) or 1 percentage points higher (8.50% decreasing to 6.00%) than the current healthcare cost trend rates:

	1% Decrease <i>Initial rate of 6.50% decreasing to an ultimate rate of 4.00%</i>	Healthcare Cost Trend Rate <i>Initial rate of 7.50%, decreasing to an ultimate rate of 5.00%</i>	1% Increase <i>Initial rate of 8.50%, decreasing to an ultimate rate of 6.00%</i>
Total OPEB Liability	203,950,729	218,890,778	237,484,682

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

For the year ended September 30, 2018, the City recognized OPEB expense of \$3,810,170. At September 30, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (7,480,057)
Employer Contributions after the measurement date	6,409,000	-
Changes of assumptions or other inputs	-	(16,869,901)
	<u>\$ 6,409,000</u>	<u>\$ (24,349,958)</u>

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 20 – OTHER POST-EMPLOYMENT BENEFITS - (Continued)

Employer contributions included in deferred outflows of resources in the amount of \$6,409,000 will be recognized against OPEB expense in fiscal year 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,		
2019	\$	3,043,745
2020		3,043,745
2021		3,043,745
2022		3,043,745
2023		3,043,745
Thereafter		9,131,233
	\$	<u>24,349,958</u>

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

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 21 - TAX ABATEMENT - (Continued)

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 1st in the year that the Pinellas County Property Appraiser will first assess ad valorem property taxes on the improvements.
- 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.
- The State of Florida's Qualified Target Industry Program (QTI) is authorized by Section 288.106, Florida Statutes. This program provides an inducement for target industry to locate new facilities in Florida or to expand existing facilities in Florida. The program provides tax refunds (corporate, insurance premium, sales/use, intangible personal property, emergency excise, excise taxes on documents, ad valorem) of \$3,000 per job. Greater awards are available to companies paying very high wages. To qualify for the QTI program, a company must create at least 10 new jobs (or a 10% increase for expanding Florida companies), pay an average of at least 115% of area wages, have a significant positive impact on the community and have local support. The city may request waiver of average wages requirement, if a project is located in a Brownfield area, but only if the merits of the project in relation to the community warrant such action. Funds may not be expended in connection with the relocation of a business from one community to another community in Florida unless Florida's Office of Tourism, Trade and Economic Development determines that without such relocation the business will move outside Florida or determines that the business has a compelling economic rationale for the relocation and that the relocation will create additional jobs. The business must file an application before the business has made the decision to locate a new business in this state or before the business had made the decision to expand an existing business in this state

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 21 - TAX ABATEMENT - (Continued)

Information relevant to the disclosure of those programs for the fiscal year ended September 30, 2018 is as follows:

Tax Abatement Program	Amount of Taxes Abated during the Fiscal Year
Historical Preservation Ad Valorem Tax Exemption	\$ 28,929
Economic Development Ad Valorem Tax Exemption	\$ 115,444
Reduced Transportation Impact Fee	\$ -
Affordable Multifamily Housing Development Program	\$ -
Qualified Target Industry Program	\$ 29,518

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, 2018

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 - RESTATEMENT OF PRIOR YEAR NET POSITION

The City adopted GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (GASB 75) for the fiscal year ending September 30, 2017. GASB 75 requires the funds of the City to report their proportionate share of the plan's total OPEB liability, pension expense, and deferred inflows and outflows of resources as well as additional note disclosures and required supplementary information. GASB 75 replaces Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended. See Note 20 - Other Postemployment Benefits for further disclosures regarding GASB 75.

Implementation of GASB 75 required restatement of Beginning Net Position. The following schedule results the impact of GASB 75 to the Proprietary Funds Financial Statements:

Restatement of Prior Year Proprietary Funds Net Position							
	Water Resources	Stormwater	Sanitation	Tropicana Field	Non-Major Enterprise	Total Enterprise Funds	Internal Service Funds
Net Position - Beginning of Period, as previously reported	\$ 350,216,082	\$ 115,932,156	\$ 15,511,616	\$ 84,020,910	\$ 111,936,552	\$ 677,617,316	\$ 48,206,457
Adoption of GASB 75							
Remove GASB 45 OPEB Liability	8,017,453	1,490,000	5,179,378	-	2,417,242	17,104,073	5,469,595
Add GASB 75 Deferred Outflow	706,430	145,728	410,688	-	120,731	1,383,577	-
Add GASB 75 Total OPEB pension liability	(27,915,280)	(5,758,585)	(16,228,740)	-	(4,773,159)	(54,675,764)	-
Total adjustment to prior year	(19,191,397)	(4,122,857)	(10,638,674)	-	(2,235,186)	(36,188,114)	5,469,595
Net Position - Beginning of Period, as restated	\$ 331,024,685	\$ 111,809,299	\$ 4,872,942	\$ 84,020,910	\$ 109,701,366	\$ 641,429,202	\$ 53,676,052

City of St. Petersburg, Florida
Notes to the Financial Statements
September 30, 2018

NOTE 24 - RESTATEMENT OF PRIOR YEAR NET POSITION (continued)

The following schedule reflects the impact of GASB 75 to the Government Wide Financial Statements:

	Restatement of Prior Year Government Wide Net Position		
	Governmental Activities	Business-Type Activities	Total Primary Government
Net Position - Beginning of Period, as previously reported	\$ 560,499,771	\$ 661,999,355	\$ 1,222,499,126
Adoption of GASB 75 Remove GASB 45 OPEB Liability	63,654,929	17,104,073	80,759,002
Add GASB 75 Deferred Outflow	4,666,363	1,383,637	6,050,000
Add GASB 75 Total OPEB pension liability	(184,395,803)	(54,675,764)	(239,071,567)
Total adjustment to prior year	(116,074,511)	(36,188,054)	(152,262,565)
Net Position - Beginning of Period, as restated	<u>\$ 444,425,260</u>	<u>\$ 625,811,301</u>	<u>\$ 1,070,236,561</u>

NOTE 25 – SUBSEQUENT EVENT

On October 2, 2018, the City executed \$205,120,000 in Public Utility Refunding Revenue Bonds, Series 2018. The Public Utility Revenue Bonds, Series 2018 proceeds are being used to currently refund all of the City's outstanding Public Utility Subordinate Lien Bond Anticipation Note, Series 2017 and to finance public utility system projects. The public utility system projects are 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 Refunding Revenue Bonds, Series 2018 has serial bonds due through October 1, 2039 with interest rates varying between 4.00% and 5.00% and two term bonds due October 1, 2043 at 4.00% and due October 1, 2048 at 4.00%. The bonds are secured by the net revenue of the combined water, wastewater, reclaimed water and stormwater systems.



REQUIRED SUPPLEMENTARY INFORMATION

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

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, 2018 is based on a measurement date of September 30, 2017 and the total pension liability measured as of September 30, 2017 was determined based on a roll-forward of the entry-age normal liabilities from the October 1, 2016 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, 2018

Employees' Retirement System
Schedule of Changes in the City's Net Pension Liability and Related Ratios

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 9,377,434	\$ 8,836,802	\$ 8,241,100	\$ 7,510,320	\$ 7,274,693
Interest	34,668,257	33,728,786	31,647,473	31,081,167	29,720,082
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	441,103	(19,356,752)	8,120,936	(7,081,456)	-
Changes of assumptions	(4,373,548)	11,604,792	-	(4,066,413)	-
Benefit payments, including refunds of member contributions	(24,073,567)	(22,386,649)	(21,116,401)	(20,240,345)	(19,116,670)
Net change in total pension liability	16,039,679	12,426,979	26,893,108	7,203,273	17,878,105
Total pension liability - beginning	449,991,694	437,564,715	410,671,607	403,468,334	385,590,229
Total pension liability - ending	<u>\$ 466,031,373</u>	<u>\$ 449,991,694</u>	<u>\$ 437,564,715</u>	<u>\$ 410,671,607</u>	<u>\$ 403,468,334</u>
Plan fiduciary net position					
Contributions - employer	\$ 10,965,921	\$ 10,310,841	\$ 11,198,451	\$ 12,778,435	\$ 13,420,066
Contributions - employee	1,603,955	1,524,795	1,465,224	1,420,282	1,400,080
Contributions - state	-	-	-	-	-
Net investment income	33,040,407	44,485,454	26,142,507	(546,983)	36,377,570
Benefit payments, including refunds of member contributions	(24,073,568)	(22,386,649)	(21,116,401)	(20,240,345)	(19,116,670)
Administrative Expense	(17,587)	(18,013)	(27,882)	(114,383)	(75,818)
Other	-	-	-	-	-
Net change in plan fiduciary net position	21,519,128	33,916,428	17,661,899	(6,702,994)	32,005,228
Plan fiduciary net position - beginning	421,268,846	387,352,418	369,690,519	376,393,513	344,388,285
Plan fiduciary net position - ending	<u>\$ 442,787,974</u>	<u>\$ 421,268,846</u>	<u>\$ 387,352,418</u>	<u>\$ 369,690,519</u>	<u>\$ 376,393,513</u>
Net pension liability - ending	<u>\$ 23,243,399</u>	<u>\$ 28,722,848</u>	<u>\$ 50,212,297</u>	<u>\$ 40,981,088</u>	<u>\$ 27,074,821</u>
Plan fiduciary net position as a percentage of the total pension liability	95.01%	93.62%	88.52%	90.02%	93.29%
Covered employee payroll	\$ 81,346,925	\$ 77,392,386	\$ 73,230,762	\$ 79,587,353	\$ 76,573,485
Net pension liability as a percentage of covered employee payroll	28.57%	37.11%	68.57%	51.49%	35.36%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

Firefighters' Retirement System
Schedule of Changes in the City's Net Pension Asset and Related Ratios

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 4,475,868	\$ 3,799,931	\$ 3,249,371	\$ 3,068,057	\$ 3,189,346
Interest	18,160,179	17,409,095	16,977,052	17,200,042	16,992,345
Changes of benefit terms	3,246,725	-	-	-	-
Differences between expected and actual experience	827,473	(636,656)	2,343,382	(707,973)	-
Changes of assumptions	8,653,032	6,108,843	-	(4,752,530)	-
Benefit payments, including refunds of member contributions	(18,114,425)	(17,822,766)	(17,616,852)	(17,597,222)	(17,336,204)
Net change in total pension liability	17,248,852	8,858,447	4,952,953	(2,789,626)	2,845,487
Total pension liability - beginning	231,583,586	222,725,139	217,772,186	220,561,812	217,716,325
Total pension liability - ending	<u>\$ 248,832,438</u>	<u>\$ 231,583,586</u>	<u>\$ 222,725,139</u>	<u>\$ 217,772,186</u>	<u>\$ 220,561,812</u>
Plan fiduciary net position					
Contributions - employer	\$ 1,886,213	\$ 1,378,771	\$ 4,477,204	\$ 7,725,079	\$ 8,841,330
Contributions - employee	1,369,948	1,175,184	1,032,503	945,494	926,326
Contributions - state	1,685,634	1,735,698	1,805,108	2,023,712	1,910,632
Net investment income	24,093,469	29,199,381	25,556,376	1,264,839	24,110,863
Benefit payments, including refunds of member contributions	(18,114,425)	(17,822,766)	(17,616,852)	(17,597,222)	(17,336,204)
Administrative Expense	(22,326)	(46,677)	(30,454)	(125,436)	(100,569)
Other	-	-	-	-	-
Net change in plan fiduciary net position	10,898,513	15,619,591	15,223,885	(5,763,534)	18,352,378
Plan fiduciary net position - beginning	260,830,086	245,210,495	229,986,610	235,750,144	217,397,766
Plan fiduciary net position - ending	<u>\$ 271,728,599</u>	<u>\$ 260,830,086</u>	<u>\$ 245,210,495</u>	<u>\$ 229,986,610</u>	<u>\$ 235,750,144</u>
Net pension asset - ending	<u>\$ (22,896,161)</u>	<u>\$ (29,246,500)</u>	<u>\$ (22,485,356)</u>	<u>\$ (12,214,424)</u>	<u>\$ (15,188,332)</u>
Plan fiduciary net position as a percentage of the total pension asset	109.20%	112.64%	110.10%	105.61%	106.89%
Covered employee payroll	\$ 19,574,164	\$ 16,264,742	\$ 14,252,652	\$ 15,963,478	\$ 16,124,568
Net pension asset as a percentage of covered employee payroll	(116.97)%	(179.82)%	(157.76)%	(76.51)%	(94.19)%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

Police Officers' Retirement System
Schedule of Changes in the City's Net Pension Liability and Related Ratios

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Pension Liability					
Service cost	\$ 7,214,362	\$ 6,807,919	\$ 5,872,895	\$ 5,860,058	\$ 5,813,388
Interest	34,644,010	32,936,579	31,018,382	29,610,299	29,652,780
Differences between expected and actual experience	5,711,161	(4,097,533)	13,610,507	(758,206)	-
Changes of assumptions	2,576,044	13,447,739	-	(3,112,655)	-
Benefit payments, including refunds of member contributions	(28,723,936)	(27,878,713)	(26,871,033)	(24,722,357)	(23,495,320)
Net change in total pension liability	21,421,641	21,215,991	23,630,751	6,877,139	11,970,848
Total pension liability - beginning	<u>440,062,733</u>	<u>418,846,742</u>	<u>395,215,991</u>	<u>388,338,852</u>	<u>376,368,004</u>
Total pension liability - ending	<u>\$ 461,484,374</u>	<u>\$ 440,062,733</u>	<u>\$ 418,846,742</u>	<u>\$ 395,215,991</u>	<u>\$ 388,338,852</u>
Plan fiduciary net position					
Contributions - employer	\$ 7,315,889	\$ 7,562,663	\$ 7,770,299	\$ 10,258,299	\$ 11,121,987
Contributions - employee	2,569,417	2,413,249	2,191,312	2,138,059	2,049,238
Contributions - state	2,141,303	1,969,105	1,897,530	1,801,339	1,753,617
Net investment income	39,383,728	45,069,674	29,466,872	(1,403,535)	36,157,743
Benefit payments, including refunds of member contributions	(28,723,936)	(27,878,713)	(26,871,033)	(24,722,357)	(23,495,320)
Administrative Expense	(25,116)	(33,715)	(63,443)	(132,046)	(105,416)
Net change in plan fiduciary net position	<u>\$ 22,661,285</u>	<u>\$ 29,102,263</u>	<u>\$ 14,391,537</u>	<u>\$ (12,060,241)</u>	<u>\$ 27,481,849</u>
Plan fiduciary net position - beginning	<u>407,458,070</u>	<u>378,355,807</u>	<u>363,964,270</u>	<u>376,024,511</u>	<u>348,542,662</u>
Plan fiduciary net position - ending	<u>\$ 430,119,355</u>	<u>\$ 407,458,070</u>	<u>\$ 378,355,807</u>	<u>\$ 363,964,270</u>	<u>\$ 376,024,511</u>
Net pension liability - ending	<u>\$ 31,365,019</u>	<u>\$ 32,604,663</u>	<u>\$ 40,490,935</u>	<u>\$ 31,251,721</u>	<u>\$ 12,314,341</u>
Plan fiduciary net position as a percentage of the total pension liability	93.20%	92.59%	90.33%	92.09%	96.83%
Covered employee payroll	\$ 37,088,733	\$ 35,120,540	\$ 31,223,987	\$ 31,186,302	\$ 31,889,043
Net pension liability as a percentage of covered employee payroll	84.57%	92.84%	129.68%	100.21%	38.62%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

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 interest rate assumption has decreased from 7.75% to 7.70% to better reflect future expectations of market returns and long-term inflation. The annual pay increase assumptions, the rates of retirement assumptions, and the rates of withdrawal assumption have all been changed based on recent plan experience. The amortization method has been lowered from a 30-year closed amortization to a 25-year closed amortization. The aggregate payroll growth rate (used to determine the amortization of unfunded liability bases) has been increased to 0.3% (from 0.2%), as limited by the ten-year average historical growth in payroll.

Notes to Firefighters' Retirement System Schedule:

Benefit Changes: The Plan now allows for unreduced retirement at 25 years of service (from 30 years of service) or age 55 (from age 53), in addition to the existing retirement eligibility of age 50 with 10 years of credited service. The overtime pay (up to 80 hours for the fiscal year beginning 10/1/2017, then up to 100 hours for the fiscal years beginning 10/1/2018 and thereafter), and driver engineer pay is now included in the definition of pensionable compensation.

Assumption Changes: The interest rate assumption has been decreased from 8.0% to 7.50% to better reflect future expectations of market returns and long-term inflation. The change in interest assumptions results in an increase in accrued liability and normal cost. The annual pay increase assumptions, the rates of retirement assumption, and the termination rates assumption (increased by 50%) based on recent plan experience. The amortization method has been lowered from a 30-year closed amortization to a 25-year closed amortization. The plan currently does not have an unfunded actuarial accrued liability.

Notes to Police Officers' Retirement System Schedule:

Benefit Changes: None

Assumptions Changes: The discount rate was changed from 8.00% to 7.95% to better reflect recent experience and anticipated future returns. Aggregate compensation is assumed to increase 2.00% per year (up from 1.6% in previous years), as limited by the ten-year average historical growth in payroll.

City of St Petersburg, Florida
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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.

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 2018 was calculated as of October 1, 2016, two years prior to the year the contributions are reported. See the notes following the Schedule of Contributions for the actuarial assumptions utilized for funding purposes.

Employees' Retirement System
Schedule of Contributions

Actuarial Valuation	10/1/2016	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 10,965,921	\$ 10,310,841	\$ 11,198,451	\$ 12,778,435	\$ 13,420,066
Contributions in relation to the actuarially determined contribution	10,965,921	10,310,841	11,198,451	12,778,435	13,420,066
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 81,346,925	\$ 77,392,386	\$ 73,230,762	\$ 79,587,353	\$ 76,573,485
Contribution as a percentage of covered payroll	13.48%	13.32%	15.29%	16.06%	17.53%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

Firefighters' Retirement System
Schedule of Contributions

Actuarial Valuation	10/1/2016	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 1,886,213	\$ 1,378,771	\$ 4,477,204	\$ 7,725,079	\$ 10,052,247
Contributions in relation to the actuarially determined contribution	1,886,213	1,378,771	4,477,204	7,725,079	10,052,247
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered employee payroll	\$ 19,574,164	\$ 16,264,742	\$ 14,252,652	\$ 15,963,478	\$ 16,124,568
Contribution as a percentage of covered payroll	9.64%	8.48%	31.41%	48.39%	62.34%

Police Officers' Retirement System
Schedule of Contributions

Actuarial Valuation	10/1/2016	10/1/2015	10/1/2014	10/1/2013	10/1/2012
Fiscal Year Contributed to Plans	2018	2017	2016	2015	2014
Actuarially determined contribution	\$ 7,315,889	\$ 7,562,663	\$ 7,770,299	\$ 10,258,299	\$ 12,753,945
Contributions in relation to the actuarially determined contribution	7,315,889	7,562,663	7,770,299	10,258,299	12,772,821
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,876)</u>
Covered employee payroll	\$ 37,088,733	\$ 35,120,540	\$ 31,223,987	\$ 31,186,302	\$ 31,889,043
Contribution as a percentage of covered payroll	19.73%	21.53%	24.89%	32.89%	40.05%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

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.

Funding Actuarial Assumptions	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System
Valuation Date	October 1, 2016	October 1, 2016	October 1, 2016
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
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	7.70%	7.50%	7.95%
Projected salary increases	Based on actual for each active member 4.5% to 8.0% thereafter	Based on actual for each active member 4.0% to 8.0% thereafter	Based on actual for each active member 4.50% to 8.00% thereafter
Cost of living adjustments			
Prior Plan	2.00%	0%	4.0%
Supplemental Plan	1.50%	4.00%	2.0%

City of St Petersburg, Florida
Required Supplementary Information
September 30, 2018

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

Fiscal Year	Employees' Retirement System	Firefighters' Retirement System	Police Officers' Retirement System
2018	7.91%	9.80%	9.87%
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, 2018

Other Postemployment Benefits

In accordance with GASB Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions the City is required to present a Schedule of Changes in the City's Total OPEB Liability and Related Ratios. Ten year trend information as required will be presented as it becomes available.

Other Postemployment Benefits
Schedule of Changes in the City's Net OPEB Liability and Related Ratios

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 5,766,009
Interest	7,496,906
Changes of benefit terms	-
Difference between expected and actual experience	(8,415,064)
Changes in assumptions or other inputs	(18,978,640)
Benefit payments	<u>(6,050,000)</u>
Net change in total OPEB Liability	(20,180,789)
 Total OPEB Liability - beginning	 <u>239,071,567</u>
Total OPEB Liability - ending	<u><u>\$ 218,890,778</u></u>

No related ratios are available as pay-related benefits do not determine related benefits in the plan. There are no assets in trust compliant with the GASB codification to pay related benefits. See notes to the financial statements for benefits and assumptions under the Plan.

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, 2018

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
Assets					
Cash and Cash Equivalents	\$ 4,328,841	\$ -	\$ 4,754,396	\$ 67,700	\$ 9,150,937
Investments	31,748,046	-	13,883,039	358,490	45,989,575
Restricted Cash	-	3,609,890	-	-	3,609,890
Receivables:					
Accounts	380,963	-	26,333	-	407,296
Notes	6,620,134	-	29,291	-	6,649,425
Due from Other Governmental Agencies:					
Grants and Cost Reimbursement	23,526	-	-	-	23,526
Pinellas County - Services	29,584	-	-	-	29,584
Pinellas County - Fines	3,266	-	-	-	3,266
Prepaid Costs and Deposits	63,026	-	-	-	63,026
Total Assets	43,197,386	3,609,890	18,693,059	426,190	65,926,525
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Vouchers and Accounts Payable	245,397	-	657,007	-	902,404
Accrued Salaries	539,412	-	7,012	-	546,424
Other Accrued Liabilities	8,560	-	-	-	8,560
Retainage on Contracts	-	-	48,066	-	48,066
Due to Other Governmental Agencies	-	-	444,175	-	444,175
Due to Other Funds	16,171	-	-	-	16,171
Deposits	265,804	-	-	-	265,804
Total Liabilities	1,075,344	-	1,156,260	-	2,231,604
Deferred Inflows of Resources					
Deferred Inflows from Notes Receivable	6,620,134	-	29,291	-	6,649,425
Deferred Inflows from Future Revenues	483,813	-	25,974	-	509,787
Total Deferred Inflows of Resources	7,103,947	-	55,265	-	7,159,212
Fund Balances					
Non-Spendable	63,026	-	-	426,190	489,216
Restricted	27,414,122	3,609,890	-	-	31,024,012
Committed	7,543,133	-	1,162,735	-	8,705,868
Assigned	-	-	16,318,799	-	16,318,799
Unassigned	(2,186)	-	-	-	(2,186)
Total Fund Balances	35,018,095	3,609,890	17,481,534	426,190	56,535,709
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 43,197,386	\$ 3,609,890	\$ 18,693,059	\$ 426,190	\$ 65,926,525

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, 2018

	Special Revenue	Debt Service	Capital Projects	Permanent	Total Nonmajor Governmental Funds
Revenues					
Licenses and Permits	\$ 6,525,263	\$ -	\$ -	\$ -	\$ 6,525,263
Fines and Forfeitures	627,022	-	-	-	627,022
Charges for Services and User Fees	14,981,568	-	-	-	14,981,568
Intergovernmental Revenues:					
Federal, State and Other Grants	1,196,497	79,249	-	-	1,275,746
State - Sales Tax	2,000,004	-	-	-	2,000,004
State - Other	44,760	-	-	-	44,760
Total	3,241,261	79,249	-	-	3,320,510
Use of Money and Property:					
Earnings on Investments	753,250	-	44,636	7,851	805,737
Total	753,250	-	44,636	7,851	805,737
Miscellaneous Revenue:					
Contributions	241,544	-	-	2,500	244,044
Assessments	-	-	1,306,612	-	1,306,612
Dispositions of Property	7,543	-	99,000	-	106,543
Other	959,448	2,013	9,763	-	971,224
Total	1,208,535	2,013	1,415,375	2,500	2,628,423
Total Revenues	27,336,899	81,262	1,460,011	10,351	28,888,523
Expenditures					
Current Operations:					
General Government	112,309	-	-	(120)	112,189
Community and Economic Development	6,005,618	-	-	-	6,005,618
Public Safety:					
Police	502,846	-	-	-	502,846
Fire and EMS	12,931,320	-	-	2,000	12,933,320
Recreation, Culture and Social	2,104,359	-	-	-	2,104,359
Debt Service:					
Principal Payments	-	11,599,000	-	-	11,599,000
Interest Payments	-	3,633,497	-	-	3,633,497
Remarketing and Other Fees	-	2,443	-	-	2,443
Capital Outlay	449,744	-	5,113,486	-	5,563,230
Total Expenditures	22,106,196	15,234,940	5,113,486	1,880	42,456,502
Excess (Deficiency) of Revenues Over Expenditures	5,230,703	(15,153,678)	(3,653,475)	8,471	(13,567,979)
Other Financing Sources (Uses)					
Transfers In	12,736	15,304,215	2,018,820	-	17,335,771
Transfers Out	(4,053,687)	(5,942,468)	-	(12,736)	(10,008,891)
Total Other Financing Sources (Uses)	(4,040,951)	9,361,747	2,018,820	(12,736)	7,326,880
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	1,189,752	(5,791,931)	(1,634,655)	(4,265)	(6,241,099)
Fund Balances - October 1	33,828,343	9,401,821	19,116,189	430,455	62,776,808
Fund Balances - September 30	<u>\$ 35,018,095</u>	<u>\$ 3,609,890</u>	<u>\$ 17,481,534</u>	<u>\$ 426,190</u>	<u>\$ 56,535,709</u>

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
September 30, 2018

	Weeki Wachee	Professional Sports Facility Sales Tax	Building Permit	Local Law Enforcement Trust
Assets				
Cash and Cash Equivalents	\$ 83,495	\$ 109,583	\$ 212,734	\$ 1,062,617
Investments	16,097,873	2,386	13,515,049	-
Receivables:				
Accounts	-	-	4,079	-
Notes	-	-	-	-
Due from Other Governmental Agencies:				
Grants and Cost Reimbursement	-	-	-	-
Pinellas County - Services	-	-	-	-
Pinellas County - Fines	-	-	-	-
Prepaid Costs and Deposits	-	-	-	63,026
Total Assets	16,181,368	111,969	13,731,862	1,125,643
Liabilities, Deferred Inflows of Resources and Fund Balances				
Liabilities				
Vouchers and Accounts Payable	-	-	95,320	1,168
Accrued Salaries	-	-	164,180	-
Other Accrued Liabilities	-	-	-	-
Due to Other Funds	-	-	-	-
Deposits	-	-	78,288	187,516
Total Liabilities	-	-	337,788	188,684
Deferred Inflows of Resources				
Deferred Inflows from Notes Receivable	-	-	-	-
Deferred Inflows from Future Revenues	-	-	4,079	-
Total Deferred Inflows of Resources	-	-	4,079	-
Fund Balances				
Non-Spendable	-	-	-	63,026
Restricted	8,638,235	111,969	13,389,995	873,933
Committed	7,543,133	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	16,181,368	111,969	13,389,995	936,959
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 16,181,368	\$ 111,969	\$ 13,731,862	\$ 1,125,643

See accompanying Independent Auditor's Report.

Emergency Medical Services	Local Housing Assistance Trust	Community Housing Trust	School Crossing Guard Fund	Police Grants Fund	Police Officers Training
\$ 1,173,799	\$ 1,009,334	\$ 190,323	\$ -	\$ -	\$ 16,467
556,179	1,164,252	50,180	411	-	85,858
12,362	251,019	51,006	60,519	-	-
-	4,244,011	2,376,123	-	-	-
-	-	-	-	23,526	-
29,584	-	-	-	-	-
-	-	-	239	-	3,027
-	-	-	-	-	-
<u>1,771,924</u>	<u>6,668,616</u>	<u>2,667,632</u>	<u>61,169</u>	<u>23,526</u>	<u>105,352</u>
60,594	3,743	-	-	8,607	257
372,577	1,721	-	-	934	-
-	8,560	-	-	-	-
-	-	-	-	16,171	-
-	-	-	-	-	-
<u>433,171</u>	<u>14,024</u>	<u>-</u>	<u>-</u>	<u>25,712</u>	<u>257</u>
-	4,244,011	2,376,123	-	-	-
9,488	242,562	51,006	-	-	-
<u>9,488</u>	<u>4,486,573</u>	<u>2,427,129</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
1,329,265	2,168,019	240,503	61,169	-	105,095
-	-	-	-	-	-
-	-	-	-	(2,186)	-
<u>1,329,265</u>	<u>2,168,019</u>	<u>240,503</u>	<u>61,169</u>	<u>(2,186)</u>	<u>105,095</u>
<u>\$ 1,771,924</u>	<u>\$ 6,668,616</u>	<u>\$ 2,667,632</u>	<u>\$ 61,169</u>	<u>\$ 23,526</u>	<u>\$ 105,352</u>

(Continued)

City of St. Petersburg, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
Special Revenue Funds
September 30, 2018

	Donation Funds	Total Nonmajor Special Revenue Funds
Assets		
Cash and Cash Equivalents	\$ 470,489	\$ 4,328,841
Investments	275,858	31,748,046
Receivables:		
Accounts	1,978	380,963
Notes	-	6,620,134
Due from Other Governmental Agencies:		
Grants and Cost Reimbursement	-	23,526
Pinellas County - Services	-	29,584
Pinellas County - Fines	-	3,266
Prepaid Costs and Deposits	-	63,026
Total Assets	<u>748,325</u>	<u>43,197,386</u>
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Vouchers and Accounts Payable	75,708	245,397
Accrued Salaries	-	539,412
Other Accrued Liabilities	-	8,560
Due to Other Funds	-	16,171
Deposits	-	265,804
Total Liabilities	<u>75,708</u>	<u>1,075,344</u>
Deferred Inflows of Resources		
Deferred Inflows from Notes Receivable	-	6,620,134
Deferred Inflows from Future Revenues	176,678	483,813
Total Deferred Inflows of Resources	<u>176,678</u>	<u>7,103,947</u>
Fund Balances		
Non-Spendable	-	63,026
Restricted	495,939	27,414,122
Committed	-	7,543,133
Unassigned	-	(2,186)
Total Fund Balances	<u>495,939</u>	<u>35,018,095</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 748,325</u>	<u>\$ 43,197,386</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, 2018

	Weeki Wachee	Professional Sports Facility Sales Tax	Building Permit	Local Law Enforcement Trust
Revenues				
Licenses and Permits	\$ -	\$ -	\$ 6,525,263	\$ -
Fines and Forfeitures	-	-	-	154,655
Charges for Services and User Fees	-	-	1,228,017	-
Intergovernmental Revenues:				
Federal, State and Other Grants	-	-	-	-
State - Sales Tax	-	2,000,004	-	-
State - Other	-	-	-	-
Total	-	2,000,004	-	-
Use of Money and Property				
Earnings on Investments	706,925	6	1,698	-
Total	706,925	6	1,698	-
Miscellaneous Revenue:				
Contributions	-	-	-	-
Dispositions of Property	-	-	-	-
Other	-	-	10	199
Total	-	-	10	199
Total Revenues	706,925	2,000,010	7,754,988	154,854
Expenditures				
Current Operations:				
General Government	112,269	-	-	-
Community and Economic Development	-	-	5,985,444	-
Public Safety:				
Police	-	-	-	341,693
Fire and EMS	-	-	-	-
Recreation, Culture and Social	-	-	-	-
Capital Outlay	-	-	-	6,499
Total Expenditures	112,269	-	5,985,444	348,192
Excess (Deficiency) of Revenues Over Expenditures	594,656	2,000,010	1,769,544	(193,338)
Other Financing Sources (Uses)				
Transfers In	-	-	-	-
Transfers Out	(1,638,820)	(1,982,107)	-	-
Total Other Financing Sources (Uses)	(1,638,820)	(1,982,107)	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(1,044,164)	17,903	1,769,544	(193,338)
Fund Balances - October 1	17,225,532	94,066	11,620,451	1,130,297
Fund Balances - September 30	\$ 16,181,368	\$ 111,969	\$ 13,389,995	\$ 936,959

See accompanying Independent Auditor's Report.

Emergency Medical Services	Local Housing Assistance Trust	Community Housing Trust	School Crossing Guard Fund	Police Grants Fund	Police Officers Training
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	429,814	-	42,553
13,749,286	-	-	-	-	-
-	1,115,725	-	-	80,772	-
-	-	-	-	-	-
44,760	-	-	-	-	-
44,760	1,115,725	-	-	80,772	-
4,796	19,817	9,953	3	-	191
4,796	19,817	9,953	3	-	191
-	-	-	-	-	-
7,543	-	-	-	-	-
22,658	876,854	56,532	-	-	1,195
30,201	876,854	56,532	-	-	1,195
13,829,043	2,012,396	66,485	429,817	80,772	43,939
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	88,036	51,797
12,930,314	-	-	-	-	-
-	1,841,348	-	-	-	-
438,886	-	-	-	-	-
13,369,200	1,841,348	-	-	88,036	51,797
459,843	171,048	66,485	429,817	(7,264)	(7,858)
-	-	-	-	-	-
-	-	-	(432,760)	-	-
-	-	-	(432,760)	-	-
459,843	171,048	66,485	(2,943)	(7,264)	(7,858)
869,422	1,996,971	174,018	64,112	5,078	112,953
<u>\$ 1,329,265</u>	<u>\$ 2,168,019</u>	<u>\$ 240,503</u>	<u>\$ 61,169</u>	<u>\$ (2,186)</u>	<u>\$ 105,095</u>

(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, 2018

	Donation Funds	Total Nonmajor Special Revenue Funds
Revenues		
Licenses and Permits	\$ -	\$ 6,525,263
Fines and Forfeitures	-	627,022
Charges for Services and User Fees	4,265	14,981,568
Intergovernmental Revenues:		
Federal, State and Other Grants	-	1,196,497
State - Sales Tax	-	2,000,004
State - Other	-	44,760
Total	-	3,241,261
Use of Money and Property		
Earnings on Investments	9,861	753,250
Total	9,861	753,250
Miscellaneous Revenue:		
Contributions	241,544	241,544
Dispositions of Property	-	7,543
Other	2,000	959,448
Total	243,544	1,208,535
Total Revenues	257,670	27,336,899
Expenditures		
Current Operations:		
General Government	40	112,309
Community and Economic Development	20,174	6,005,618
Public Safety:		
Police	21,320	502,846
Fire and EMS	1,006	12,931,320
Recreation, Culture and Social	263,011	2,104,359
Capital Outlay	4,359	449,744
Total Expenditures	309,910	22,106,196
Excess (Deficiency) of Revenues Over Expenditures	(52,240)	5,230,703
Other Financing Sources (Uses)		
Transfers In	12,736	12,736
Transfers Out	-	(4,053,687)
Total Other Financing Sources (Uses)	12,736	(4,040,951)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	(39,504)	1,189,752
Fund Balances - October 1	535,443	33,828,343
Fund Balances - September 30	\$ 495,939	\$ 35,018,095

See accompanying Independent Auditor's Report.



City of St. Petersburg, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
Debt Service Funds
September 30, 2018

	Professional Sports Facility Sales Tax	BB&T Notes	Banc Of America
Assets			
Restricted Cash	\$ 1,790,268	\$ -	\$ -
Total Assets	<u>1,790,268</u>	<u>-</u>	<u>-</u>
Liabilities and Fund Balances			
Fund Balances			
Restricted	1,790,268	-	-
Total Fund Balances	<u>1,790,268</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 1,790,268</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Independent Auditor's Report.

JP Morgan Chase	Public Service Tax	TD Bank	Banc of America Leasing & Capital	Total Nonmajor Debt Service Funds
\$ -	\$ 1,790,100	\$ 5,974	\$ 23,548	\$ 3,609,890
-	1,790,100	5,974	23,548	3,609,890
-	1,790,100	5,974	23,548	3,609,890
-	1,790,100	5,974	23,548	3,609,890
-	1,790,100	5,974	23,548	3,609,890
\$ -	\$ 1,790,100	\$ 5,974	\$ 23,548	\$ 3,609,890

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, 2018

	Professional Sports Facility Sales Tax	BB&T Notes	Banc Of America
Revenues			
Intergovernmental Revenue:			
Federal, State and Other Grants	\$ -	\$ -	\$ -
Use of Money and Property:			
Other	2,013	-	-
Total Revenues	<u>2,013</u>	<u>-</u>	<u>-</u>
Expenditures			
Debt Service:			
Principal Payments	1,530,000	870,000	164,000
Interest Payments	389,064	23,085	30,823
Remarketing and Other Fees	-	-	-
Total Expenditures	<u>1,919,064</u>	<u>893,085</u>	<u>194,823</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(1,917,051)</u>	<u>(893,085)</u>	<u>(194,823)</u>
Other Financing Sources (Uses)			
Transfers In	1,982,107	893,085	194,823
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>1,982,107</u>	<u>893,085</u>	<u>194,823</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	65,056	-	-
Fund Balances - October 1	<u>1,725,212</u>	<u>-</u>	<u>-</u>
Fund Balances - September 30	<u><u>\$ 1,790,268</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

See accompanying Independent Auditor's Report.

JP Morgan Chase	Public Service Tax	TD Bank	Banc of America Leasing & Capital	Total Nonmajor Debt Service Funds
\$ -	\$ -	\$ -	\$ 79,249	\$ 79,249
-	-	-	-	2,013
-	-	-	79,249	81,262
8,485,000	550,000	-	-	11,599,000
105,736	1,965,188	1,014,893	104,708	3,633,497
-	-	1,286	1,157	2,443
8,590,736	2,515,188	1,016,179	105,865	15,234,940
(8,590,736)	(2,515,188)	(1,016,179)	(26,616)	(15,153,678)
8,590,736	2,606,438	1,014,893	22,133	15,304,215
-	-	(5,600,000)	(342,468)	(5,942,468)
8,590,736	2,606,438	(4,585,107)	(320,335)	9,361,747
-	91,250	(5,601,286)	(346,951)	(5,791,931)
-	1,698,850	5,607,260	370,499	9,401,821
\$ -	\$ 1,790,100	\$ 5,974	\$ 23,548	\$ 3,609,890

City of St. Petersburg, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
Capital Projects Funds
September 30, 2018

	Housing Capital Improvement	Transportation Improvement	Downtown Parking Garage
Assets			
Cash and Cash Equivalents	\$ 100,243	\$ 2,269,329	\$ 347,556
Investments	198,285	11,594,363	2,090,391
Receivables:			
Accounts	26,333	-	-
Notes	29,291	-	-
Total Assets	<u>354,152</u>	<u>13,863,692</u>	<u>2,437,947</u>
Liabilities and Fund Balances			
Liabilities			
Vouchers and Accounts Payable	1,297	428,278	197,895
Accrued Salaries	860	6,060	-
Retainage on Contracts	-	1,467	46,599
Due to Other Governmental Agencies	-	444,175	-
Total Liabilities	<u>2,157</u>	<u>879,980</u>	<u>244,494</u>
Deferred Inflows from Resources			
Deferred Inflows from Notes Receivable	29,291	-	-
Deferred Inflows from Future Revenues	25,974	-	-
Total Deferred Inflows from Resources	<u>55,265</u>	<u>-</u>	<u>-</u>
Fund Balances			
Committed	6,927	397,202	683,079
Assigned	289,803	12,586,510	1,510,374
Total Fund Balances	<u>296,730</u>	<u>12,983,712</u>	<u>2,193,453</u>
Total Liabilities and Fund Balances	<u>\$ 354,152</u>	<u>\$ 13,863,692</u>	<u>\$ 2,437,947</u>

See accompanying Independent Auditor's Report.

<u>Weeki Wachee</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ 2,037,268	\$ 4,754,396
-	13,883,039
-	26,333
-	29,291
<u>2,037,268</u>	<u>18,693,059</u>
29,537	657,007
92	7,012
-	48,066
-	444,175
<u>29,629</u>	<u>1,156,260</u>
-	29,291
-	25,974
-	55,265
75,527	1,162,735
<u>1,932,112</u>	<u>16,318,799</u>
<u>2,007,639</u>	<u>17,481,534</u>
<u>\$ 2,037,268</u>	<u>\$ 18,693,059</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, 2018

	Housing Capital Improvement	Transportation Improvement	Downtown Parking Garage
Revenues			
Use of Money and Property:			
Earnings on Investments	\$ 430	\$ 36,357	\$ 7,849
Total	<u>430</u>	<u>36,357</u>	<u>7,849</u>
Miscellaneous Revenue:			
Assessments	-	1,306,612	-
Dispositions of Property	99,000	-	-
Other	10,055	-	-
Total	<u>109,055</u>	<u>1,306,612</u>	<u>-</u>
Total Revenues	<u>109,485</u>	<u>1,342,969</u>	<u>7,849</u>
Expenditures			
Capital Outlay	60,011	2,220,795	1,124,644
Total Expenditures	<u>60,011</u>	<u>2,220,795</u>	<u>1,124,644</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>49,474</u>	<u>(877,826)</u>	<u>(1,116,795)</u>
Other Financing Sources (Uses)			
Transfers In	-	-	400,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>400,000</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	49,474	(877,826)	(716,795)
Fund Balances - October 1	<u>247,256</u>	<u>13,861,538</u>	<u>2,910,248</u>
Fund Balances - September 30	<u><u>\$ 296,730</u></u>	<u><u>\$ 12,983,712</u></u>	<u><u>\$ 2,193,453</u></u>

See accompanying Independent Auditor's Report.

<u>Weeki Wachee</u>	<u>Total Nonmajor Capital Projects Funds</u>
\$ -	\$ 44,636
-	44,636
-	1,306,612
-	99,000
(292)	9,763
(292)	1,415,375
(292)	1,460,011
1,708,036	5,113,486
1,708,036	5,113,486
(1,708,328)	(3,653,475)
1,618,820	2,018,820
1,618,820	2,018,820
(89,508)	(1,634,655)
2,097,147	19,116,189
\$ 2,007,639	\$ 17,481,534

City of St. Petersburg, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
Permanent Funds
September 30, 2018

	<u>Kopsick Trust</u>	<u>Fire Rescue and EMS Awards</u>	<u>Library Trust</u>	<u>Total Nonmajor Permanent Funds</u>
Assets				
Cash and Cash Equivalents	\$ -	\$ 15,249	\$ 52,451	\$ 67,700
Investments	156,795	19,232	182,463	358,490
Total Assets	<u>156,795</u>	<u>34,481</u>	<u>234,914</u>	<u>426,190</u>
Liabilities and Fund Balances				
Fund Balances				
Non-Spendable	156,795	34,481	234,914	426,190
Total Fund Balances	<u>156,795</u>	<u>34,481</u>	<u>234,914</u>	<u>426,190</u>
Total Liabilities and Fund Balances	<u>\$ 156,795</u>	<u>\$ 34,481</u>	<u>\$ 234,914</u>	<u>\$ 426,190</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, 2018

	<u>Kopsick Trust</u>	<u>Fire Rescue and EMS Awards</u>	<u>Library Trust</u>	<u>Total Nonmajor Permanent Funds</u>
Revenues				
Use of Money and Property:				
Earnings on Investments	\$ 7,284	\$ 44	\$ 523	\$ 7,851
Contributions	-	2,500	-	2,500
Total Revenues	<u>7,284</u>	<u>2,544</u>	<u>523</u>	<u>10,351</u>
Expenditures				
Current Operations:				
General Government	(120)	-	-	(120)
Fire and EMS	-	2,000	-	2,000
Total Expenditures	<u>(120)</u>	<u>2,000</u>	<u>-</u>	<u>1,880</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>7,404</u>	<u>544</u>	<u>523</u>	<u>8,471</u>
Other Financing Sources (Uses)				
Transfers Out	(8,312)	-	(4,424)	(12,736)
Total Other Financing Sources (Uses)	<u>(8,312)</u>	<u>-</u>	<u>(4,424)</u>	<u>(12,736)</u>
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	<u>(908)</u>	<u>544</u>	<u>(3,901)</u>	<u>(4,265)</u>
Fund Balances - October 1	<u>157,703</u>	<u>33,937</u>	<u>238,815</u>	<u>430,455</u>
Fund Balances - September 30	<u>\$ 156,795</u>	<u>\$ 34,481</u>	<u>\$ 234,914</u>	<u>\$ 426,190</u>

See accompanying Independent Auditor's Report.



City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Weeki Wachee
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Earnings on Investments	\$ 355,000	\$ 355,000	\$ 419,719	\$ 64,719
Total Revenues	<u>355,000</u>	<u>355,000</u>	<u>419,719</u>	<u>64,719</u>
Expenditures				
Current Operations:				
General Government	150,000	150,000	112,269	37,731
Total Expenditures	<u>150,000</u>	<u>150,000</u>	<u>112,269</u>	<u>37,731</u>
Excess (deficiency) of revenues over expenditures	<u>205,000</u>	<u>205,000</u>	<u>307,450</u>	<u>102,450</u>
Other Financing Sources (Uses)				
Transfers Out	(20,000)	(1,638,820)	(1,638,820)	-
Total Other Financing Sources (Uses)	<u>(20,000)</u>	<u>(1,638,820)</u>	<u>(1,638,820)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>185,000</u>	<u>(1,433,820)</u>	<u>(1,331,370)</u>	<u>102,450</u>
Budgetary Fund Balances - October 1	11,073,823	11,073,823	11,073,823	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 11,258,823</u>	<u>\$ 9,640,003</u>	<u>\$ 9,742,453</u>	<u>\$ 102,450</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			6,438,915	
Fund Balances - September 30			<u>\$ 16,181,368</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Professional Sports Facility Sales Tax
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
State - Sales Tax	\$ 2,000,004	\$ 2,000,004	\$ 2,000,004	\$ -
Earnings on Investments	-	-	56	56
Total Revenues	<u>2,000,004</u>	<u>2,000,004</u>	<u>2,000,060</u>	<u>56</u>
Other Financing Sources (Uses)				
Transfers Out	(1,925,185)	(1,982,107)	(1,982,107)	-
Total Other Financing Sources (Uses)	<u>(1,925,185)</u>	<u>(1,982,107)</u>	<u>(1,982,107)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>74,819</u>	<u>17,897</u>	<u>17,953</u>	<u>56</u>
Budgetary Fund Balances - October 1	94,058	94,058	94,058	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 168,877</u>	<u>\$ 111,955</u>	<u>\$ 112,011</u>	<u>\$ 56</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			(42)	(42)
Fund Balances - September 30			<u>\$ 111,969</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Building Permit
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Licenses and Permits	\$ 5,020,300	\$ 5,020,300	\$ 6,525,263	\$ 1,504,963
Charges for Services and User Fees	826,000	826,000	1,228,017	402,017
Earnings on Investments	144,000	144,000	278,835	134,835
Other	10,000	10,000	10	(9,990)
Total Revenues	<u>6,000,300</u>	<u>6,000,300</u>	<u>8,032,125</u>	<u>2,031,825</u>
Expenditures				
Current Operations:				
Community and Economic Development	5,590,882	6,024,471	6,060,067	(35,596)
Capital Outlay	-	22,825	22,825	-
Total Expenditures	<u>5,590,882</u>	<u>6,047,296</u>	<u>6,082,892</u>	<u>(35,596)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>409,418</u>	<u>(46,996)</u>	<u>1,949,233</u>	<u>1,996,229</u>
Budgetary Fund Balances - October 1	11,510,708	11,510,708	11,510,708	-
Reserve for Encumbrances - October 1, 2017	-	-	74,414	74,414
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 11,920,126</u>	<u>\$ 11,463,712</u>	<u>\$ 13,534,355</u>	<u>\$ 2,070,643</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			97,448	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			(241,808)	
Fund Balances - September 30			<u>\$ 13,389,995</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Local Law Enforcement Trust
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Fines and Forfeitures	\$ -	\$ -	\$ 154,655	\$ 154,655
Other	-	-	199	199
Total Revenues	<u>-</u>	<u>-</u>	<u>154,854</u>	<u>154,854</u>
Expenditures				
Current Operations:				
Police	108,068	494,748	342,091	152,657
Capital Outlay	-	99,000	101,414	(2,414)
Total Expenditures	<u>108,068</u>	<u>593,748</u>	<u>443,505</u>	<u>150,243</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>(108,068)</u>	<u>(593,748)</u>	<u>(288,651)</u>	<u>305,097</u>
Budgetary Fund Balances - October 1	999,375	999,375	999,375	-
Reserve for Encumbrances - October 1, 2017	-	-	12,280	12,280
Change in Reserve for Prepaid Costs & Inventory	-	-	55,616	55,616
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 891,307</u>	<u>\$ 405,627</u>	<u>\$ 778,620</u>	<u>\$ 372,993</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			95,313	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			63,026	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ 936,959</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Emergency Medical Services
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Charges for Services and User Fees	\$ 13,663,602	\$ 13,663,602	\$ 13,749,286	\$ 85,684
State - Other	31,000	31,000	44,760	13,760
Earnings on Investments	25,000	25,000	18,782	(6,218)
Dispositions of Property	-	-	7,543	7,543
Other	-	-	22,658	22,658
Total Revenues	<u>13,719,602</u>	<u>13,719,602</u>	<u>13,843,029</u>	<u>123,427</u>
Expenditures				
Current Operations:				
Fire and EMS	13,240,761	13,293,913	12,979,374	314,539
Capital Outlay	416,000	416,000	438,886	(22,886)
Total Expenditures	<u>13,656,761</u>	<u>13,709,913</u>	<u>13,418,260</u>	<u>291,653</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>62,841</u>	<u>9,689</u>	<u>424,769</u>	<u>415,080</u>
Budgetary Fund Balances - October 1	815,745	815,745	815,745	-
Reserve for Encumbrances - October 1, 2017	-	-	49,643	49,643
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 878,586</u>	<u>\$ 825,434</u>	<u>\$ 1,290,157</u>	<u>\$ 464,723</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			49,061	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			(9,953)	
Fund Balances - September 30			<u>\$ 1,329,265</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Local Housing Assistance Trust
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
Federal, State and Other Grants	\$ 1,111,704	\$ 3,066,897	\$ 1,115,725	\$ (1,951,172)
Earnings on Investments	25,000	25,000	44,727	19,727
Other	414,000	414,000	876,854	462,854
Total Revenues	<u>1,550,704</u>	<u>3,505,897</u>	<u>2,037,306</u>	<u>(1,468,591)</u>
Expenditures				
Current Operations:				
Recreation, Culture and Social	1,550,704	3,512,672	1,843,363	1,669,309
Total Expenditures	<u>1,550,704</u>	<u>3,512,672</u>	<u>1,843,363</u>	<u>1,669,309</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(6,775)</u>	<u>193,943</u>	<u>200,718</u>
Budgetary Fund Balances - October 1	1,986,115	1,986,115	1,986,115	-
Reserve for Encumbrances - October 1, 2017	-	-	6,775	6,775
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 1,986,115</u>	<u>\$ 1,979,340</u>	<u>\$ 2,186,833</u>	<u>\$ 207,493</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			2,015	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			(20,829)	
Fund Balances - September 30			<u>\$ 2,168,019</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Community Housing Trust
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Earnings on Investments	\$ 1,000	\$ 1,000	\$ 11,005	\$ 10,005
Other	-	-	56,532	56,532
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>67,537</u>	<u>66,537</u>
Expenditures				
Recreation, Culture and Social	-	170,000	-	170,000
Total Expenditures	<u>-</u>	<u>170,000</u>	<u>-</u>	<u>170,000</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>1,000</u>	<u>(169,000)</u>	<u>67,537</u>	<u>236,537</u>
Budgetary Fund Balances - October 1	173,342	173,342	173,342	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 174,342</u>	<u>\$ 4,342</u>	<u>\$ 240,879</u>	<u>\$ 236,537</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			(376)	(376)
Fund Balances - September 30			<u>\$ 240,503</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
School Crossing Guard Fund
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Fines and Forfeitures	\$ 370,000	\$ 370,000	\$ 429,814	\$ 59,814
Earnings on Investments	2,000	2,000	-	(2,000)
Total Revenues	<u>372,000</u>	<u>372,000</u>	<u>429,814</u>	<u>57,814</u>
Other Financing Sources (Uses)				
Transfers Out	(370,000)	(436,000)	(432,760)	3,240
Total Other Financing Sources (Uses)	<u>(370,000)</u>	<u>(436,000)</u>	<u>(432,760)</u>	<u>3,240</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>2,000</u>	<u>(64,000)</u>	<u>(2,946)</u>	<u>61,054</u>
Budgetary Fund Balances - October 1	63,703	63,703	63,703	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 65,703</u>	<u>\$ (297)</u>	<u>\$ 60,757</u>	<u>\$ 61,054</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			412	
Fund Balances - September 30			<u>\$ 61,169</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Police Grants Fund
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Federal, State and Other Grants	\$ -	\$ 83,000	\$ 80,772	\$ (2,228)
Total Revenues	<u>-</u>	<u>83,000</u>	<u>80,772</u>	<u>(2,228)</u>
Expenditures				
Police	-	89,662	89,637	25
Total Expenditures	<u>-</u>	<u>89,662</u>	<u>89,637</u>	<u>25</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(6,662)</u>	<u>(8,865)</u>	<u>(2,203)</u>
Budgetary Fund Balances - October 1	(1,584)	(1,584)	(1,584)	-
Reserve for Encumbrances - October 1, 2017	-	-	6,662	6,662
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ (1,584)</u>	<u>\$ (8,246)</u>	<u>\$ (3,787)</u>	<u>\$ 4,459</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			1,601	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ (2,186)</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Police Officers Training
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Fines and Forfeitures	\$ -	\$ -	\$ 42,553	\$ 42,553
Earnings on Investments	-	-	1,992	1,992
Other	150,000	150,000	1,195	(148,805)
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>45,740</u>	<u>(104,260)</u>
Expenditures				
Current Operations:				
General Government	150,000	150,000	-	150,000
Police	-	-	51,797	(51,797)
Total Expenditures	<u>150,000</u>	<u>150,000</u>	<u>51,797</u>	<u>98,203</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>-</u>	<u>(6,057)</u>	<u>(6,057)</u>
Budgetary Fund Balances - October 1	112,688	112,688	112,688	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 112,688</u>	<u>\$ 112,688</u>	<u>\$ 106,631</u>	<u>\$ (6,057)</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			(1,536)	(1,536)
Fund Balances - September 30			<u>\$ 105,095</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Special Revenue Funds
Donation Funds
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
Charges for Services and User Fees	\$ -	\$ -	\$ 4,265	\$ 4,265
Earnings on Investments	-	-	6,773	6,773
Contributions	850,000	850,000	241,544	(608,456)
Other	-	-	2,000	2,000
Total Revenues	<u>850,000</u>	<u>850,000</u>	<u>254,582</u>	<u>(595,418)</u>
Expenditures				
Current Operations:				
General Government	850,000	850,000	-	850,000
Community and Economic Development	-	-	20,174	(20,174)
Police	-	-	21,320	(21,320)
Fire and EMS	-	-	1,006	(1,006)
Recreation, Culture and Social	-	1,779	269,841	(268,062)
Capital Outlay	-	-	4,359	(4,359)
Total Expenditures	<u>850,000</u>	<u>851,779</u>	<u>316,700</u>	<u>535,079</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,779)</u>	<u>(62,118)</u>	<u>(60,339)</u>
Other Financing Sources (Uses)				
Transfers In	-	-	12,736	12,736
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>12,736</u>	<u>12,736</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(1,779)</u>	<u>(49,382)</u>	<u>(47,603)</u>
Budgetary Fund Balances - October 1	519,438	519,438	519,438	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Budgetary Fund Balances - September 30	<u>\$ 519,438</u>	<u>\$ 517,659</u>	<u>\$ 470,056</u>	<u>\$ (47,603)</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			6,830	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			19,053	
Fund Balances - September 30			<u>\$ 495,939</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Professional Sports Facility Sales Tax
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Revenues				
Other	\$ -	\$ -	\$ 2,013	\$ 2,013
Total Revenues	<u>-</u>	<u>-</u>	<u>2,013</u>	<u>2,013</u>
Expenditures				
Debt service:				
Principal Payments	1,530,000	1,530,000	1,530,000	-
Interest Payments	370,304	389,278	389,064	214
Total Expenditures	<u>1,900,304</u>	<u>1,919,278</u>	<u>1,919,064</u>	<u>214</u>
Excess (deficiency) of revenues over expenditures	<u>(1,900,304)</u>	<u>(1,919,278)</u>	<u>(1,917,051)</u>	<u>2,227</u>
Other Financing Sources (Uses)				
Transfers In	1,925,185	1,982,107	1,982,107	-
Total Other Financing Sources (Uses)	<u>1,925,185</u>	<u>1,982,107</u>	<u>1,982,107</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>24,881</u>	<u>62,829</u>	<u>65,056</u>	<u>2,227</u>
Budgetary Fund Balances - October 1	<u>1,725,212</u>	<u>1,725,212</u>	<u>1,725,212</u>	<u>-</u>
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u>\$ 1,750,093</u>	<u>\$ 1,788,041</u>	<u>\$ 1,790,268</u>	<u>\$ 2,227</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ 1,790,268</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
BB&T Notes
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Expenditures				
Debt service:				
Principal Payments	\$ 210,000	\$ 870,000	\$ 870,000	\$ -
Interest Payments	15,759	29,929	23,085	6,844
Total Expenditures	<u>225,759</u>	<u>899,929</u>	<u>893,085</u>	<u>6,844</u>
 Excess (deficiency) of revenues over expenditures	 <u>(225,759)</u>	 <u>(899,929)</u>	 <u>(893,085)</u>	 <u>6,844</u>
Other Financing Sources (Uses)				
Transfers In	225,759	893,131	893,085	(46)
Total Other Financing Sources (Uses)	<u>225,759</u>	<u>893,131</u>	<u>893,085</u>	<u>(46)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>-</u>	 <u>(6,798)</u>	 <u>-</u>	 <u>6,798</u>
Budgetary Fund Balances - October 1	-	-	-	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u>\$ -</u>	<u>\$ (6,798)</u>	<u>\$ -</u>	<u>\$ 6,798</u>
 Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Banc Of America
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Expenditures				
Debt Service:				
Principal Payments	\$ 164,000	\$ 164,000	\$ 164,000	\$ -
Interest Payments	30,823	30,823	30,823	-
Total Expenditures	<u>194,823</u>	<u>194,823</u>	<u>194,823</u>	<u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>(194,823)</u>	 <u>(194,823)</u>	 <u>(194,823)</u>	 <u>-</u>
Other Financing Sources (Uses)				
Transfers In	194,823	194,823	194,823	-
Total Other Financing Sources (Uses)	<u>194,823</u>	<u>194,823</u>	<u>194,823</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>-</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
Budgetary Fund Balances - October 1	-	-	-	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			-	-
Fund Balances - September 30			<u><u>\$ -</u></u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
JP Morgan Chase
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Expenditures				
Debt Service:				
Principal Payments	\$ 2,944,000	\$ 8,485,000	\$ 8,485,000	\$ -
Interest Payments	133,949	159,011	105,736	53,275
Total Expenditures	<u>3,077,949</u>	<u>8,644,011</u>	<u>8,590,736</u>	<u>53,275</u>
 Excess (deficiency) of revenues over expenditures	 <u>(3,077,949)</u>	 <u>(8,644,011)</u>	 <u>(8,590,736)</u>	 <u>53,275</u>
Other Financing Sources (Uses)				
Transfers In	3,077,949	8,592,861	8,590,736	(2,125)
Total Other Financing Sources (Uses)	<u>3,077,949</u>	<u>8,592,861</u>	<u>8,590,736</u>	<u>(2,125)</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>-</u>	 <u>(51,150)</u>	 <u>-</u>	 <u>51,150</u>
Budgetary Fund Balances - October 1	-	-	-	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u>\$ -</u>	<u>\$ (51,150)</u>	<u>\$ -</u>	<u>\$ 51,150</u>
 Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Public Service Tax
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Expenditures				
Debt service:				
Principal Payments	\$ 550,000	\$ 550,000	\$ 550,000	\$ -
Interest Payments	1,965,188	1,965,188	1,965,188	-
Total Expenditures	<u>2,515,188</u>	<u>2,515,188</u>	<u>2,515,188</u>	<u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>(2,515,188)</u>	 <u>(2,515,188)</u>	 <u>(2,515,188)</u>	 <u>-</u>
Other Financing Sources (Uses)				
Transfers In	2,606,438	2,606,438	2,606,438	-
Total Other Financing Sources (Uses)	<u>2,606,438</u>	<u>2,606,438</u>	<u>2,606,438</u>	<u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>91,250</u>	 <u>91,250</u>	 <u>91,250</u>	 <u>-</u>
Budgetary Fund Balances - October 1	1,698,850	1,698,850	1,698,850	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u><u>\$ 1,790,100</u></u>	<u><u>\$ 1,790,100</u></u>	<u><u>\$ 1,790,100</u></u>	<u><u>\$ -</u></u>
 Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	-
Adjustment to Fund Balance for Advances			-	-
Reserve for Prepaid Costs and Inventory			-	-
Net Change in Fair Value of Investments			-	-
Fund Balances - September 30			<u><u>\$ 1,790,100</u></u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
TD Bank
Fiscal Year Ended September 30, 2018

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
Expenditures				
Debt service:				
Interest Payments	\$ 1,014,893	\$ 1,014,893	\$ 1,014,893	\$ -
Remarketing and Other Fees	-	1,300	1,286	14
Total Expenditures	<u>1,014,893</u>	<u>1,016,193</u>	<u>1,016,179</u>	<u>14</u>
Excess (deficiency) of revenues over expenditures	<u>(1,014,893)</u>	<u>(1,016,193)</u>	<u>(1,016,179)</u>	<u>14</u>
Other Financing Sources (Uses)				
Transfers In	1,014,893	1,014,893	1,014,893	-
Transfers Out	-	(5,600,000)	(5,600,000)	-
Total Other Financing Sources (Uses)	<u>1,014,893</u>	<u>(4,585,107)</u>	<u>(4,585,107)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(5,601,300)</u>	<u>(5,601,286)</u>	<u>14</u>
Budgetary Fund Balances - October 1	5,607,260	5,607,260	5,607,260	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u>\$ 5,607,260</u>	<u>\$ 5,960</u>	<u>\$ 5,974</u>	<u>\$ 14</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ 5,974</u>	

See accompanying Independent Auditor's Report.

City of St. Petersburg, Florida
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Nonmajor Debt Service Funds
Banc of America Leasing & Capital
Fiscal Year Ended September 30, 2018

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
Revenues				
Federal, State and Other Grants	\$ -	\$ 82,756	\$ 79,249	\$ (3,507)
Earnings on Investments	82,576	-	-	-
Total Revenues	<u>82,576</u>	<u>82,756</u>	<u>79,249</u>	<u>(3,507)</u>
Expenditures				
Debt service:				
Interest Payments	104,709	104,709	104,708	1
Remarketing and Other Fees	-	1,200	1,157	43
Total Expenditures	<u>104,709</u>	<u>105,909</u>	<u>105,865</u>	<u>44</u>
Excess (deficiency) of revenues over expenditures	<u>(22,133)</u>	<u>(23,153)</u>	<u>(26,616)</u>	<u>(3,463)</u>
Other Financing Sources (Uses)				
Transfers In	22,133	22,133	22,133	-
Transfers Out	-	(342,468)	(342,468)	-
Total Other Financing Sources (Uses)	<u>22,133</u>	<u>(320,335)</u>	<u>(320,335)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>-</u>	<u>(343,488)</u>	<u>(346,951)</u>	<u>(3,463)</u>
Budgetary Fund Balances - October 1	370,499	370,499	370,499	-
Reserve for Encumbrances - October 1, 2017	-	-	-	-
Change in Reserve for Prepaid Costs & Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
Fund balance - September 30	<u>\$ 370,499</u>	<u>\$ 27,011</u>	<u>\$ 23,548</u>	<u>\$ (3,463)</u>
Reconciliation of Budget to GAAP reporting				
Reserve for Encumbrances - September 30, 2018			-	
Adjustment to Fund Balance for Advances			-	
Reserve for Prepaid Costs and Inventory			-	
Net Change in Fair Value of Investments			-	
Fund Balances - September 30			<u>\$ 23,548</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, 2018

	<u>Airport</u>	<u>Port</u>	<u>Marina</u>	<u>Golf Course</u>
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 349,440	\$ 34,701	\$ 1,014,231	\$ 12,189
Investments	23,165	20,968	1,052,212	1
Receivables (Net, where applicable, of Allowance for Uncollectibles)				
Accounts	48,315	31,932	40,657	8,086
Due from Other Governmental Agencies:				
Grants	324,742	-	-	-
Services	-	1,128	-	-
Inventories	-	-	44,907	217,334
Prepaid Expenses and Deposits	28,576	-	1,250	3,500
Total Current Assets	774,238	88,729	2,153,257	241,110
Noncurrent Assets:				
Restricted Investments	-	-	2,363,552	-
Capital Assets:				
Land	1,912,168	1,001,500	-	392,907
Buildings	13,088,817	11,100,759	4,021,915	1,518,898
Improvements	13,867,978	8,059,540	14,184,955	6,331,178
Machinery and Equipment	151,754	5,100	469,797	936,883
Projects in Progress	697,359	-	331,970	-
Accumulated Depreciation	(10,980,514)	(6,782,599)	(13,352,817)	(6,114,798)
Net Capital Assets	18,737,562	13,384,300	5,655,820	3,065,068
Total Noncurrent Assets	18,737,562	13,384,300	8,019,372	3,065,068
Total Assets	19,511,800	13,473,029	10,172,629	3,306,178
Deferred Outflows of Resources				
Deferred Outflows of Pension Resources	15,071	12,561	105,499	226,073
Deferred Outflows of OPEB Resources	2,477	2,064	17,336	37,149
Total Deferred Outflows of Resources	17,548	14,625	122,835	263,222
Liabilities				
Current Liabilities:				
Vouchers and Accounts Payable	7,812	58	37,030	42,631
Accrued Salaries	9,716	5,479	29,363	77,275
Accrued Annual Leave	-	-	14,338	13,972
Retainage on Contracts	-	-	7,542	625
Due to Other Funds	-	-	-	795,167
Due to Other Governmental Agencies	1,748	1,017	17,622	8,763
Payable from Restricted Assets:				
Bonds and Notes Payable - Current Portion	-	-	595,000	-
Accrued Interest	-	-	32,190	-
Deposits	51,000	-	49,010	123,908
Unearned Revenue	100	-	-	-
Total Current Liabilities	70,376	6,554	782,095	1,062,341
Noncurrent Liabilities:				
Advance from Other Funds	2,515,613	-	-	1,378,380
Accrued Annual Leave less Current Portion	24,905	3,262	40,558	189,525
Net Pension Liability	17,234	14,361	120,636	258,506
Obligation for OPEB	84,585	70,488	592,097	1,268,780
Notes Payable	-	-	4,365,000	-
Total Noncurrent Liabilities	2,642,337	88,111	5,118,291	3,095,191
Total Liabilities	2,712,713	94,665	5,900,386	4,157,532
Deferred Inflows of Resources				
Deferred Inflows of Pension Resources	12,062	10,053	84,436	180,936
Deferred Inflows of OPEB Resources	9,409	7,841	65,866	141,142
Total Deferred Inflows of Resources	21,471	17,894	150,302	322,078
Net Position				
Net Investment in Capital Assets	18,737,562	13,384,300	3,059,372	3,065,068
Unrestricted	(1,942,398)	(9,205)	1,185,404	(3,975,278)
Total Net Position	\$ 16,795,164	\$ 13,375,095	\$ 4,244,776	\$ (910,210)

See accompanying Independent Auditor's Report.

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total Nonmajor Enterprise Funds
\$ 43,988	\$ 129,249	\$ 84,434	\$ 399,841	\$ 210,207	\$ 487,977	\$ 2,766,257
-	7,275,210	-	-	27,674	152,187	8,551,417
20,311	418,676	763	-	8,993	-	577,733
-	-	-	-	-	-	324,742
-	-	-	-	1,050	-	2,178
-	-	-	-	18,496	33,502	314,239
-	27,672	-	-	1,078	9,621	71,697
64,299	7,850,807	85,197	399,841	267,498	683,287	12,608,263
-	-	-	-	-	-	2,363,552
1,738,673	50,023	2,313,500	-	2,015,663	2,918,450	12,342,884
6,159,031	12,162,894	49,969,755	163,970	2,424,373	4,187,747	104,798,159
-	1,178,794	11,040,078	-	729,336	2,917,540	58,309,399
160,609	1,792,102	3,733,501	-	989,493	64,975	8,304,214
1,078,649	175,000	-	34,138,429	111,348	-	36,532,755
(2,319,393)	(6,912,187)	(31,959,751)	(9,838)	(2,559,565)	(2,589,361)	(83,580,823)
6,817,569	8,446,626	35,097,083	34,292,561	3,710,648	7,499,351	136,706,588
6,817,569	8,446,626	35,097,083	34,292,561	3,710,648	7,499,351	139,070,140
6,881,868	16,297,433	35,182,280	34,692,402	3,978,146	8,182,638	151,678,403
37,679	303,942	-	-	37,679	40,191	778,695
6,192	49,945	-	-	6,192	6,604	127,959
43,871	353,887	-	-	43,871	46,795	906,654
25,945	99,491	14,999	20,096	13,596	5,621	267,279
9,950	64,144	-	-	14,707	25,925	236,559
-	787	-	-	-	1,159	30,256
-	-	-	-	-	-	8,167
144,817	-	-	-	-	-	939,984
-	17,122	-	-	1,486	37,076	84,834
-	-	-	-	-	-	595,000
-	-	-	-	-	-	32,190
43,988	-	-	-	162,086	385,689	815,681
-	-	-	-	-	12,040	12,140
224,700	181,544	14,999	20,096	191,875	467,510	3,022,090
298,000	-	-	-	-	-	4,191,993
51,077	89,406	-	-	37,670	30,289	466,692
43,084	347,546	-	-	43,084	45,957	890,408
211,463	1,705,804	-	-	211,463	225,561	4,370,241
-	-	-	-	-	-	4,365,000
603,624	2,142,756	-	-	292,217	301,807	14,284,334
828,324	2,324,300	14,999	20,096	484,092	769,317	17,306,424
30,156	243,258	-	-	30,156	32,166	623,223
23,524	189,758	-	-	23,524	25,092	486,156
53,680	433,016	-	-	53,680	57,258	1,109,379
6,817,569	8,446,626	35,097,083	34,292,561	3,710,648	7,499,351	134,110,140
(773,834)	5,447,378	70,198	379,745	(226,403)	(96,493)	59,114
\$ 6,043,735	\$ 13,894,004	\$ 35,167,281	\$ 34,672,306	\$ 3,484,245	\$ 7,402,858	\$ 134,169,254

City of St. Petersburg, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Nonmajor Enterprise Funds
Fiscal Year Ended September 30, 2018

	<u>Airport</u>	<u>Port</u>	<u>Marina</u>	<u>Golf Course</u>
Operating Revenues				
Sales and Concessions	\$ -	\$ -	\$ 886,102	\$ 529,299
Service Charges and Fees	-	242,217	(33,146)	2,349,493
Fines and Forfeitures	-	-	120	-
Rentals and Parking	1,170,543	15,393	2,984,815	498,257
Total Operating Revenues	<u>1,170,543</u>	<u>257,610</u>	<u>3,837,891</u>	<u>3,377,049</u>
Operating Expenses				
Personal Services and Benefits	404,338	182,122	1,028,837	2,246,901
Supplies, Services and Claims	548,785	258,441	1,464,449	1,076,940
General Administrative Charges	33,156	-	87,780	224,580
Depreciation	693,617	544,217	548,086	319,072
Total Operating Expenses	<u>1,679,896</u>	<u>984,780</u>	<u>3,129,152</u>	<u>3,867,493</u>
Operating Income (Loss)	<u>(509,353)</u>	<u>(727,170)</u>	<u>708,739</u>	<u>(490,444)</u>
Nonoperating Revenues (Expenses)				
Intergovernmental Revenues	-	-	-	-
Earnings on Investments	569	47	14,771	85
Interest Expense	(50,288)	-	(137,374)	-
Issue Cost and Amortization of Bond Discount	-	-	(16,705)	-
Gain (Loss) on Disposition of Capital Assets	-	-	885	-
Miscellaneous Revenue	-	-	1,966	-
Total Nonoperating Revenues (Expenses)	<u>(49,719)</u>	<u>47</u>	<u>(136,457)</u>	<u>85</u>
Income (Loss) Before Contributions and Transfers	<u>(559,072)</u>	<u>(727,123)</u>	<u>572,282</u>	<u>(490,359)</u>
Transfers and Contributions				
Capital Assets from (to) Other Funds	331,672	-	-	-
Contributions from Citizens and Developers	-	-	-	-
Capital Contributions	1,170,582	-	80,462	-
Transfers In (Out):				
Transfers In	22,776	159,000	22,776	19,663
Transfers Out	-	-	(434,560)	(69,600)
Total Transfers and Contributions	<u>1,525,030</u>	<u>159,000</u>	<u>(331,322)</u>	<u>(49,937)</u>
Change in Net Position	<u>965,958</u>	<u>(568,123)</u>	<u>240,960</u>	<u>(540,296)</u>
Net Position - October 1 (Restated)	<u>15,829,206</u>	<u>13,943,218</u>	<u>4,003,816</u>	<u>(369,914)</u>
Net Position - September 30	<u>\$ 16,795,164</u>	<u>\$ 13,375,095</u>	<u>\$ 4,244,776</u>	<u>\$ (910,210)</u>

See accompanying Independent Auditor's Report.

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total Nonmajor Enterprise Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,415,401
6,744	6,287,798	146,434	-	729,666	1,579,577	11,308,783
-	2,026,270	-	-	-	-	2,026,390
583,034	227,138	-	-	-	13	5,479,193
<u>589,778</u>	<u>8,541,206</u>	<u>146,434</u>	<u>-</u>	<u>729,666</u>	<u>1,579,590</u>	<u>20,229,767</u>
373,269	2,239,368	46,299	46,777	555,473	863,854	7,987,238
314,706	3,333,206	545,549	183,512	328,370	726,368	8,780,326
-	239,304	-	-	-	-	584,820
110,238	469,682	1,603,693	3,279	52,514	146,668	4,491,066
<u>798,213</u>	<u>6,281,560</u>	<u>2,195,541</u>	<u>233,568</u>	<u>936,357</u>	<u>1,736,890</u>	<u>21,843,450</u>
<u>(208,435)</u>	<u>2,259,646</u>	<u>(2,049,107)</u>	<u>(233,568)</u>	<u>(206,691)</u>	<u>(157,300)</u>	<u>(1,613,683)</u>
-	-	7,881	-	-	-	7,881
-	(8,780)	-	-	61	517	7,270
-	-	-	-	-	-	(187,662)
-	-	-	-	-	-	(16,705)
57	(424,694)	(15,363)	-	1,045	-	(438,070)
-	-	-	-	-	230	2,196
<u>57</u>	<u>(433,474)</u>	<u>(7,482)</u>	<u>-</u>	<u>1,106</u>	<u>747</u>	<u>(625,090)</u>
(208,378)	1,826,172	(2,056,589)	(233,568)	(205,585)	(156,553)	(2,238,773)
1,078,649	-	1,665,646	20,794,925	412,911	-	24,283,803
-	-	-	-	-	995,217	995,217
-	-	-	-	-	-	1,251,044
109,000	-	450,000	600,000	188,000	155,000	1,726,215
-	(1,045,516)	-	-	-	-	(1,549,676)
<u>1,187,649</u>	<u>(1,045,516)</u>	<u>2,115,646</u>	<u>21,394,925</u>	<u>600,911</u>	<u>1,150,217</u>	<u>26,706,603</u>
979,271	780,656	59,057	21,161,357	395,326	993,664	24,467,830
<u>5,064,464</u>	<u>13,113,348</u>	<u>35,108,224</u>	<u>13,510,949</u>	<u>3,088,919</u>	<u>6,409,194</u>	<u>109,701,424</u>
<u>\$ 6,043,735</u>	<u>\$ 13,894,004</u>	<u>\$ 35,167,281</u>	<u>\$ 34,672,306</u>	<u>\$ 3,484,245</u>	<u>\$ 7,402,858</u>	<u>\$ 134,169,254</u>

City of St. Petersburg, Florida
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018

	Airport	Port	Marina	Golf Course
Cash flows from operating activities				
Operating Income (loss)	\$ (509,353)	\$ (727,170)	\$ 708,739	\$ (490,444)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation	693,617	544,217	548,086	319,072
Amortization	22,038	18,481	154,092	330,584
Other non-operating income (loss), net	-	(116)	2,851	-
Changes in assets and liabilities:				
Accounts Receivable, DFOG, net	564	(18,844)	1,175	-
Prepays & Other Assets	-	-	(7,016)	(83,138)
Accounts Payable & accrued liabilities	(94,836)	(6,580)	(110,512)	(20,037)
Deposits	-	-	8,520	(768)
Compensated absences and OPEB	(22,490)	(18,590)	(165,772)	(315,760)
Cash provided by (used for) operating activities	<u>89,540</u>	<u>(208,602)</u>	<u>1,140,163</u>	<u>(260,491)</u>
Cash flows from noncapital financing activities				
Intergovernmental Revenue	924,281	1,017	-	-
(Payment) Receipt on Interfund Loan	244,380	(262)	-	329,060
Transfers-in	22,776	159,000	22,776	19,663
Transfers-out	-	-	(434,560)	(69,600)
Cash provided by (used for) noncapital financing activities	<u>1,191,437</u>	<u>159,755</u>	<u>(411,784)</u>	<u>279,123</u>
Cash flows from capital & related financing activities				
Proceeds from issuance of debt	-	-	15,000	-
Capital assets from other sources	-	-	-	-
Proceeds from special assessment	-	-	-	-
Acquisition & Construction of Capital Assets, net of proceeds	(1,116,429)	-	(320,212)	(35,682)
Proceeds from sale of property, plant, equipment	-	-	1,066	-
Principal received on Notes Receivable	-	-	-	-
Bond fees and costs	-	-	(16,705)	-
Payment of interest	(50,288)	-	(140,245)	-
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	(595,000)	-
Cash provided by (used for) capital & related financing activities	<u>(1,166,717)</u>	<u>-</u>	<u>(1,056,096)</u>	<u>(35,682)</u>
Cash flows from investment activities				
Purchase, Sale and Maturities of Investments, net	(8,233)	(1,229)	162,192	4,054
Interest received on investments	(389)	487	87,594	98
Cash provided by (used for) investing activities	<u>(8,622)</u>	<u>(742)</u>	<u>249,786</u>	<u>4,152</u>
Net increase (decrease) in cash	<u>105,638</u>	<u>(49,589)</u>	<u>(77,931)</u>	<u>(12,898)</u>
Cash at beginning of year	<u>243,802</u>	<u>84,290</u>	<u>1,092,162</u>	<u>25,087</u>
Cash at year end	<u><u>\$ 349,440</u></u>	<u><u>\$ 34,701</u></u>	<u><u>\$ 1,014,231</u></u>	<u><u>\$ 12,189</u></u>
Non-cash Investing, Capital, and Financing Activities				
Contributions of Capital Assets (to)/from Other Funds	\$ 331,672	\$ -	\$ 80,462	\$ -
Change in Fair Value of Investments	958	(440)	(72,823)	(13)
Total	<u><u>\$ 332,630</u></u>	<u><u>\$ (440)</u></u>	<u><u>\$ 7,639</u></u>	<u><u>\$ (13)</u></u>
Cash flows from operating activities				
Cash received from customers and users	\$ 1,171,006	\$ 238,766	\$ 3,850,437	\$ 3,376,281
Cash received from interfund services provided	(403,468)	(51,252)	(168,528)	(641,321)
Cash payments to vendors for goods & services	(493,675)	(248,077)	(1,307,628)	(1,078,250)
Cash payments to employees for services	(184,323)	(148,039)	(1,234,118)	(1,917,201)
Cash provided by (used for) operating activities	<u>\$ 89,540</u>	<u>\$ (208,602)</u>	<u>\$ 1,140,163</u>	<u>\$ (260,491)</u>

See accompanying independent Auditor's Report.

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total
\$ (208,435)	\$ 2,259,646	\$ (2,049,107)	\$ (233,568)	\$ (206,691)	\$ (157,300)	\$ (1,613,683)
110,238	469,682	1,603,693	3,279	52,514	146,668	4,491,066
55,097	444,452	-	-	55,097	58,770	1,138,611
57	-	-	-	7,988	230	11,010
(2,215)	(42,401)	655	124	(7,974)	382	(68,534)
-	(27,672)	-	-	(591)	32,075	(86,342)
(1,092)	(265,511)	(20,834)	20,096	10,512	(21,127)	(509,921)
(1,131)	-	-	-	-	30,655	37,276
(52,830)	(388,634)	-	-	(53,982)	(57,821)	(1,075,879)
(100,311)	2,449,562	(465,593)	(210,069)	(143,127)	32,532	2,323,604
-	-	7,881	-	-	-	933,179
109,000	-	-	-	-	-	682,178
-	-	450,000	600,000	188,000	155,000	1,617,215
5,780	(1,045,516)	-	-	-	-	(1,543,896)
114,780	(1,045,516)	457,881	600,000	188,000	155,000	1,688,676
-	-	-	-	-	-	15,000
-	-	-	-	-	-	-
(16,157)	(174,999)	-	-	-	(20,414)	(20,414)
-	-	-	-	-	-	(1,663,479)
-	-	-	-	-	-	1,066
-	-	-	-	-	-	-
-	-	-	-	-	-	(16,705)
-	-	-	-	-	-	(190,533)
-	-	-	-	-	-	(595,000)
(16,157)	(174,999)	-	-	-	(20,414)	(2,470,065)
-	(2,115,523)	-	-	(1,622)	66,396	(1,893,965)
-	138,406	-	-	642	5,388	232,226
-	(1,977,117)	-	-	(980)	71,784	(1,661,739)
(1,688)	(748,070)	(7,712)	389,931	43,893	238,902	(119,524)
45,676	877,319	92,146	9,910	166,314	249,075	2,885,781
\$ 43,988	\$ 129,249	\$ 84,434	\$ 399,841	\$ 210,207	\$ 487,977	\$ 2,766,257
\$ 1,078,649	\$ -	\$ 1,665,646	\$ 20,794,925	\$ 412,911	\$ 395,217	\$ 24,759,482
-	(147,186)	-	-	(581)	(4,871)	(224,956)
\$ 1,078,649	\$ (147,186)	\$ 1,665,646	\$ 20,794,925	\$ 412,330	\$ 390,346	\$ 24,534,526
\$ 586,489	\$ 8,498,805	\$ 147,089	\$ 124	\$ 729,602	\$ 1,590,552	\$ 20,189,151
(186,719)	(1,059,153)	(146,299)	(2,747)	(226,617)	(343,204)	(3,229,308)
(253,776)	(3,058,603)	(466,383)	(160,669)	(275,055)	(624,694)	(7,966,810)
(246,305)	(1,931,487)	-	(46,777)	(371,057)	(590,122)	(6,669,429)
\$ (100,311)	\$ 2,449,562	\$ (465,593)	\$ (210,069)	\$ (143,127)	\$ 32,532	\$ 2,323,604



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, 2018

	Equipment Maintenance	Facilities Maintenance	Technology Services	Billing and Collections
Assets				
Current Assets:				
Cash and Cash Equivalents	\$ 993,399	\$ 963,267	\$ 1,676,835	\$ 2,411,141
Investments	17,242,084	601,156	2,910,382	9,738,908
Receivables (Net, where applicable, of Allowance for Uncollectibles):				
Accounts	3,681	-	-	1,153,721
Due to Other Governmental Agencies:				
Services	5,826	-	-	3,866
Inventories	848,879	-	15,227	-
Prepaid Expenses and Deposits	-	-	878,049	-
Total Current Assets	<u>19,093,869</u>	<u>1,564,423</u>	<u>5,480,493</u>	<u>13,307,636</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	4,544,725	3,668,519	3,660,867	512,486
Projects in Progress	82,789	-	-	-
Accumulated Depreciation	(6,901,336)	(9,825,412)	(3,467,992)	(369,756)
Net Capital Assets	<u>3,111,286</u>	<u>3,573,961</u>	<u>192,875</u>	<u>142,730</u>
Total Assets	<u>22,205,155</u>	<u>5,138,384</u>	<u>5,673,368</u>	<u>13,450,366</u>
Liabilities				
Current Liabilities:				
Vouchers and Accounts Payable	798,685	1,332,326	393,183	690,029
Accrued Salaries	172,894	40,131	223,393	231,652
Accrued Annual Leave	30,699	-	26,596	23,507
Due to Other Governmental Agencies	-	30	9,828	968,260
Claims - Current Portion	-	-	-	-
Other Current Liabilities	-	-	-	19,000
Deposits	-	-	-	8,731,657
Total Current Liabilities	<u>1,002,278</u>	<u>1,372,487</u>	<u>653,000</u>	<u>10,664,105</u>
Noncurrent Liabilities:				
Accrued Annual Leave less Current Portion	331,612	99,349	504,147	476,767
Claims	-	-	-	-
Total Noncurrent Liabilities	<u>331,612</u>	<u>99,349</u>	<u>504,147</u>	<u>476,767</u>
Total Liabilities	<u>1,333,890</u>	<u>1,471,836</u>	<u>1,157,147</u>	<u>11,140,872</u>
Net Position				
Net Investment in Capital Assets	3,111,286	3,573,961	192,875	142,730
Unrestricted	17,759,979	92,587	4,323,346	2,166,764
Total Net Position	<u>\$ 20,871,265</u>	<u>\$ 3,666,548</u>	<u>\$ 4,516,221</u>	<u>\$ 2,309,494</u>

See accompanying Independent Auditor's Report.

Consolidated Inventory	Insurance	Total Internal Service Funds
\$ 343,440	\$ 9,314,714	\$ 15,702,796
443,406	65,959,332	96,895,268
-	164,999	1,322,401
-	50	9,742
651,860	-	1,515,966
-	1,964,446	2,842,495
<u>1,438,706</u>	<u>77,403,541</u>	<u>118,288,668</u>
-	-	1,846,640
4,946,456	-	15,123,620
1,361	-	3,093,519
112,952	-	12,499,549
-	-	82,789
(1,240,320)	-	(21,804,816)
<u>3,820,449</u>	<u>-</u>	<u>10,841,301</u>
<u>5,259,155</u>	<u>77,403,541</u>	<u>129,129,969</u>
593,318	865,225	4,672,766
13,447	43,532	725,049
8,316	2,396	91,514
-	36,474	1,014,592
-	12,444,000	12,444,000
-	-	19,000
-	-	8,731,657
<u>615,081</u>	<u>13,391,627</u>	<u>27,698,578</u>
13,120	27,060	1,452,055
-	45,930,000	45,930,000
<u>13,120</u>	<u>45,957,060</u>	<u>47,382,055</u>
<u>628,201</u>	<u>59,348,687</u>	<u>75,080,633</u>
3,820,449	-	10,841,301
810,505	18,054,854	43,208,035
<u>\$ 4,630,954</u>	<u>\$ 18,054,854</u>	<u>\$ 54,049,336</u>

City of St. Petersburg, Florida
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
Fiscal Year Ended September 30, 2018

	Equipment Maintenance	Facilities Maintenance	Technology Services	Billing and Collections
Operating Revenues				
Service Charges and Fees	\$ 27,236,354	\$ 3,436,980	\$ 11,191,149	\$ 9,758,344
Total Operating Revenues	<u>27,236,354</u>	<u>3,436,980</u>	<u>11,191,149</u>	<u>9,758,344</u>
Operating Expenses				
Personal Services and Benefits	5,455,165	1,178,704	6,539,306	6,455,021
Supplies, Services and Claims	11,028,930	1,402,418	3,049,212	2,792,333
General Administrative Charges	641,808	-	442,008	644,412
Depreciation	181,696	204,869	94,750	43,929
Total Operating Expenses	<u>17,307,599</u>	<u>2,785,991</u>	<u>10,125,276</u>	<u>9,935,695</u>
Operating Income (Loss)	<u>9,928,755</u>	<u>650,989</u>	<u>1,065,873</u>	<u>(177,351)</u>
Nonoperating Revenues (Expenses)				
Intergovernmental Revenues	44,014	-	1,500	-
Earnings on Investments	84,514	14,789	8,977	87,476
Gain (Loss) on Disposition of Capital Assets	(3,365,232)	60	(167,143)	-
Miscellaneous Revenue	10,949	270	13	20,719
Total Nonoperating Revenues (Expenses)	<u>(3,225,755)</u>	<u>15,119</u>	<u>(156,653)</u>	<u>108,195</u>
Income (Loss) Before Contributions and Transfers	<u>6,703,000</u>	<u>666,108</u>	<u>909,220</u>	<u>(69,156)</u>
Transfers and Contributions				
Capital Assets from (to) Other Funds	276,317	-	(597)	-
Transfers From (To) Other Funds:				
Transfers In	280,536	24,709	-	18,900
Transfers Out	(7,791,707)	(2,025,000)	(91,536)	-
Total Transfers and Contributions	<u>(7,234,854)</u>	<u>(2,000,291)</u>	<u>(92,133)</u>	<u>18,900</u>
Change in Net Position	<u>(531,854)</u>	<u>(1,334,183)</u>	<u>817,087</u>	<u>(50,256)</u>
Net Position - October (Restated)	<u>21,403,119</u>	<u>5,000,731</u>	<u>3,699,134</u>	<u>2,359,750</u>
Net Position - September 30	<u>\$ 20,871,265</u>	<u>\$ 3,666,548</u>	<u>\$ 4,516,221</u>	<u>\$ 2,309,494</u>

See accompanying Independent Auditor's Report.

Consolidated Inventory	Insurance	Total Internal Service Funds
\$ 527,821	\$ 70,115,710	\$ 122,266,358
527,821	70,115,710	122,266,358
384,310	1,411,869	21,424,375
131,304	67,912,110	86,316,307
-	-	1,728,228
102,126	-	627,370
617,740	69,323,979	110,096,280
(89,919)	791,731	12,170,078
1,409	-	46,923
1,335	124,288	321,379
1,479	-	(3,530,836)
-	642,167	674,118
4,223	766,455	(2,488,416)
(85,696)	1,558,186	9,681,662
-	-	275,720
-	-	324,145
-	-	(9,908,243)
-	-	(9,308,378)
(85,696)	1,558,186	373,284
4,716,650	16,496,668	53,676,052
\$ 4,630,954	\$ 18,054,854	\$ 54,049,336

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	Equipment Maintenance	Facilities Maintenance	Information & Communication Services
Cash flows from operating activities			
Operating Income (loss)	\$ 9,928,755	\$ 650,989	\$ 1,065,873
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation	181,696	204,869	94,750
Amortization	-	-	-
Other non-operating income (loss), net	10,948	270	-
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	(2,093)	-	950
Prepays & Other Assets	(91,461)	-	(329,547)
Accounts Payable & Accrued Liabilities	(365,211)	59,366	84,868
Deposits	-	-	-
Accrued Salary, Compensated absences and OPEB	(43,371)	(735)	39,465
Cash provided by (used for) operating activities	<u>9,619,263</u>	<u>914,759</u>	<u>956,359</u>
Cash flows from noncapital financing activities			
Intergovernmental Revenue	44,014	-	1,500
(Payment) Receipt on Interfund Loan	-	-	-
Transfers-in	280,536	24,709	-
Transfers-out	(7,791,707)	(2,025,000)	(91,536)
Cash provided by (used for) noncapital financing activities	<u>(7,467,157)</u>	<u>(2,000,291)</u>	<u>(90,036)</u>
Cash flows from capital & related financing activities			
Proceeds from issuance of debt	-	-	-
Proceeds from special assessment	-	-	-
Acquisition & Construction of Capital Assets, net of proceeds	(3,652,642)	(24,711)	(16,142)
Proceeds from sale of property, plant, equipment	-	60	-
Principal received on Notes Receivable	-	-	-
Bond fees and costs	-	-	-
Interest paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	-
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	-
Cash provided by (used for) capital & related financing activities	<u>(3,652,642)</u>	<u>(24,651)</u>	<u>(16,142)</u>
Cash flows from operating activities			
Purchase, Sale and Maturities of Investments, net	666,994	1,163,076	115,242
Interest received on investments	451,620	31,256	70,951
Cash provided by (used for) investing activities	<u>1,118,614</u>	<u>1,194,332</u>	<u>186,193</u>
Net increase (decrease) in cash	(381,922)	84,149	1,036,374
Cash at beginning of year	<u>1,375,321</u>	<u>879,118</u>	<u>640,461</u>
Cash at year end	<u><u>\$ 993,399</u></u>	<u><u>\$ 963,267</u></u>	<u><u>\$ 1,676,835</u></u>
Non-cash Investing, Capital, and Financing Activities			
Contributions of Capital Assets (to)/from Other Funds	\$ 276,317	\$ -	\$ (597)
Change in Fair Value of Investments	367,106	(16,467)	(67,974)
Total	<u><u>\$ 643,423</u></u>	<u><u>\$ (16,467)</u></u>	<u><u>\$ (68,571)</u></u>
Cash flows from operating activities			
Cash received from customers and users	\$ 27,245,209	\$ 3,437,280	\$ 11,192,099
Cash payments for interfund services provided	(2,022,008)	(544,656)	21,260
Cash payments to vendors for goods & services	(11,017,682)	(983,680)	(2,984,926)
Cash payments to employees for services	(4,586,256)	(994,185)	(7,272,074)
Cash provided by (used for) operating activities	<u><u>\$ 9,619,263</u></u>	<u><u>\$ 914,759</u></u>	<u><u>\$ 956,359</u></u>

See accompanying independent Auditor's Report.

Billings & Collections	Consolidated Inventory	Insurance	TOTAL
\$ (177,351)	\$ (89,919)	\$ 791,731	\$ 12,170,078
43,929	102,126	-	627,370
-	-	-	-
20,719	1,479	642,167	675,583
55,639	-	6,070	60,566
-	(96,544)	(62,915)	(580,467)
97,735	349,830	742,809	969,397
206,669	-	-	206,669
23,553	(8,342)	2,205,465	2,216,035
<u>270,893</u>	<u>258,630</u>	<u>4,325,327</u>	<u>16,345,231</u>
-	1,409	25	46,948
-	-	-	-
18,900	-	-	324,145
-	-	-	(9,908,243)
<u>18,900</u>	<u>1,409</u>	<u>25</u>	<u>(9,537,150)</u>
-	-	-	-
-	-	-	-
(18,899)	-	-	(3,712,394)
-	-	-	60
-	-	-	-
-	-	-	-
-	-	-	-
<u>(18,899)</u>	<u>-</u>	<u>-</u>	<u>(3,712,334)</u>
1,037,201	37,224	(7,306,927)	(4,287,190)
296,955	10,840	1,496,927	2,358,549
<u>1,334,156</u>	<u>48,064</u>	<u>(5,810,000)</u>	<u>(1,928,641)</u>
1,605,050	308,103	(1,484,648)	1,167,106
<u>806,091</u>	<u>35,337</u>	<u>10,799,362</u>	<u>14,535,690</u>
<u>\$ 2,411,141</u>	<u>\$ 343,440</u>	<u>\$ 9,314,714</u>	<u>\$ 15,702,796</u>
\$ -	\$ -	\$ -	\$ 275,720
(209,479)	(9,505)	(1,372,639)	(1,308,958)
-	-	-	#VALUE!
<u>(209,479)</u>	<u>(9,505)</u>	<u>(1,372,639)</u>	<u>#VALUE!</u>
\$ 10,041,371	\$ 529,301	\$ 70,763,946	\$ 123,209,206
(2,510,684)	(125,124)	(286,193)	(5,467,405)
(1,693,009)	174,842	(67,126,682)	(83,631,137)
(5,566,785)	(320,389)	974,256	(17,765,433)
<u>\$ 270,893</u>	<u>\$ 258,630</u>	<u>\$ 4,325,327</u>	<u>\$ 16,345,231</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 Trust 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.

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
Pension Trust Funds
September 30, 2018

	Employees Retirement Fund	Fire Pension Fund	Police Pension Fund	Total
Assets				
Cash and Cash Equivalents	\$ 435,110	\$ 654,172	\$ 914,053	\$ 2,003,335
Trustee Accounts	14,982,145	3,936,354	9,633,038	28,551,537
Receivables:				
Interest and Dividends	900,746	510,090	632,680	2,043,516
Accounts	10,080	-	-	10,080
Unsettled Investment Sales	246,810	2,250	41,459	290,519
Prepays and Deposits	6,926	6,925	6,924	20,775
Investments, at Fair Value:				
DROP Investments	11,131,799	23,583,917	28,538,400	63,254,116
Government Securities	20,813,624	22,712,481	31,799,080	75,325,185
Corporate Bonds	56,173,783	33,358,546	28,599,914	118,132,243
Common and Preferred Stock	246,182,233	17,517,417	287,343,389	551,043,039
Mutual Funds	62,007,503	193,051,614	43,130,705	298,189,822
Alternative Investments	41,374,727	-	29,336,951	70,711,678
Total Assets	<u>454,265,486</u>	<u>295,333,766</u>	<u>459,976,593</u>	<u>1,209,575,845</u>
Liabilities				
Accounts	2	21,250	28	21,280
Unsettled Investment Purchases	345,711	-	1,318,810	1,664,521
DROP Liability	11,131,799	23,583,917	28,538,400	63,254,116
Total Liabilities	<u>11,477,512</u>	<u>23,605,167</u>	<u>29,857,238</u>	<u>64,939,917</u>
Net Position				
Net Position Restricted for Pensions	442,787,974	271,728,599	430,119,355	1,144,635,928
Total Net Position	<u>\$ 442,787,974</u>	<u>\$ 271,728,599</u>	<u>\$ 430,119,355</u>	<u>\$ 1,144,635,928</u>

See accompanying Independent Auditor's Report

City of St. Petersburg, Florida
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
Fiscal Year Ended September 30, 2018

	Employees Retirement Fund	Fire Pension Fund	Police Pension Fund	Total
ADDITIONS				
Contributions				
Employer (Charges to Other Funds)	\$ 10,965,921	\$ 1,886,213	\$ 7,315,889	\$ 20,168,023
Employees	1,603,955	1,369,948	2,569,417	5,543,320
State Insurance Fund	-	1,685,634	2,141,303	3,826,937
Total Contributions	<u>12,569,876</u>	<u>4,941,795</u>	<u>12,026,609</u>	<u>29,538,280</u>
Investment Income				
Net Increase (Decrease) in Fair Value of Investments	24,662,596	18,437,083	31,043,252	74,142,931
Interest on Investments	2,577,689	2,184,569	1,836,885	6,599,143
Dividends on Stock	7,633,165	3,959,697	8,125,570	19,718,432
Total Investment Income	<u>34,873,450</u>	<u>24,581,349</u>	<u>41,005,707</u>	<u>100,460,506</u>
Less Investment Expense	<u>(1,833,042)</u>	<u>(487,880)</u>	<u>(1,621,979)</u>	<u>(3,942,901)</u>
Net Investment Income	<u>33,040,408</u>	<u>24,093,469</u>	<u>39,383,728</u>	<u>96,517,605</u>
Total Additions	<u>45,610,284</u>	<u>29,035,264</u>	<u>51,410,337</u>	<u>126,055,885</u>
DEDUCTIONS				
Benefits	21,537,875	15,621,129	24,372,992	61,531,996
Deferred Retirement Option Contributions	2,381,117	2,446,292	4,160,890	8,988,299
Refunds on Contributions	154,575	47,004	190,054	391,633
Administrative Expenses	17,589	22,326	25,116	65,031
Total Deductions	<u>24,091,156</u>	<u>18,136,751</u>	<u>28,749,052</u>	<u>70,976,959</u>
Change in Net Position	<u>21,519,128</u>	<u>10,898,513</u>	<u>22,661,285</u>	<u>55,078,926</u>
Net Position - October 1	<u>421,268,846</u>	<u>260,830,086</u>	<u>407,458,070</u>	<u>1,089,557,002</u>
Net Position - September 30	<u><u>442,787,974</u></u>	<u><u>271,728,599</u></u>	<u><u>430,119,355</u></u>	<u><u>1,144,635,928</u></u>

See accompanying Independent Auditor's Report

City of St. Petersburg, Florida
Combining Statement of Fiduciary Net Position
Agency Funds
September 30, 2018

	<u>Payroll Treasury Agency Fund</u>	<u>Other Treasury Agency Fund</u>	<u>Total</u>
Assets			
Cash and Cash Equivalents	\$ 15,728	\$ 772,784	\$ 788,512
Accounts Receivable	<u>5,800</u>	<u>-</u>	<u>5,800</u>
Total Assets	<u>\$ 21,528</u>	<u>\$ 772,784</u>	<u>\$ 794,312</u>
Liabilities			
Due to Other Entities and Individuals	<u>21,528</u>	<u>772,784</u>	<u>794,312</u>
Total Liabilities	<u>\$ 21,528</u>	<u>\$ 772,784</u>	<u>\$ 794,312</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, 2018

Payroll Treasury

	Balance September 30, 2017	Additions	Deductions	Balance September 30, 2018
Assets				
Cash and Cash Equivalents	\$ -	628,605,263	628,589,535	\$ 15,728
Accounts Receivable	5,800	2,853	2,853	5,800
Total Assets	<u>5,800</u>	<u>628,608,116</u>	<u>628,592,388</u>	<u>21,528</u>
Liabilities				
Due to Other Entities and Individuals	5,800	417,240,156	417,224,428	21,528
Total Liabilities	<u>\$ 5,800</u>	<u>417,240,156</u>	<u>417,224,428</u>	<u>\$ 21,528</u>

Other Treasury

	Balance September 30, 2017	Additions	Deductions	Balance September 30, 2018
Assets				
Cash and Cash Equivalents	\$ -	6,396,289,330	6,395,516,546	\$ 772,784
Pooled Equity in Investments	-	226,394,605	226,394,605	-
Accounts Receivable	-	102,846	102,846	-
Total Assets	<u>-</u>	<u>6,622,786,781</u>	<u>6,622,013,997</u>	<u>772,784</u>
Liabilities				
Due to Other Entities and Individuals	-	24,211,193	23,438,409	772,784
Total Liabilities	<u>\$ -</u>	<u>24,211,193</u>	<u>23,438,409</u>	<u>\$ 772,784</u>

See accompanying Independent Auditor's Report

III. STATISTICAL SECTION

City of St. Petersburg, Florida
Statistical Section
For the Year Ended September 30, 2018

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)

	2018 (3)	2017	2016	2015 (2)	2014 (2)	2013	2012 (1)	2011	2010	2009
Governmental Activities										
Net investment in capital assets	\$ 345,541,833	\$ 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
Restricted	51,285,940	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
Unrestricted	45,586,941	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
Total Governmental Activities Net Position	442,414,714	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
Business-type Activities										
Net investment in capital assets	517,908,073	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
Restricted	19,662,021	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
Unrestricted	129,725,472	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
Total Business-type Activities Net Position	667,295,566	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
Primary Government										
Net investment in capital assets	863,449,906	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
Restricted	70,947,961	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
Unrestricted	175,312,413	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
Total Primary Government Net Position	\$ 1,109,710,280	\$ 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) 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.

(3) GASB 75 was implemented in fiscal year 2018. Prior fiscal years are not restated.

City of St. Petersburg, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2018 (3)	2017	2016	2015 (2)	2014	2013	2012 (1)	2011	2010	2009
Expenses										
Governmental Activities:										
General Government	\$ 43,099,098	\$ 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
Community and Economic Development	19,064,106	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
Police	111,987,229	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
Fire and EMS	43,710,855	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
Public Works, Streets and Facilities	30,872,449	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
Recreation, Culture and Social	59,010,192	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
Interest on Long-Term Debt	4,643,321	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
Total Governmental Activities Expenses	312,387,250	309,192,890	288,593,838	268,383,927	281,513,944	269,951,959	276,252,995	290,335,025	267,465,164	291,692,530
Business-type Activities:										
Water and Waste Water Utility	122,358,658	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
Stormwater Utility	17,575,741	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
Sanitation	39,500,349	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
Tropicana Field	5,614,578	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	1,715,124	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
Port	983,593	1,026,277	1,043,589	874,667	844,507	923,851	1,114,952	1,532,136	1,094,820	987,025
Marina	3,258,748	3,512,662	3,364,333	4,189,409	3,572,867	3,370,490	3,370,871	3,570,871	2,525,854	2,354,034
Golf Courses	3,851,423	3,777,731	3,841,861	3,591,614	3,863,244	3,967,520	4,038,963	4,145,459	3,852,204	4,250,100
Jamestown Complex	792,270	1,143,617	691,204	743,377	708,109	654,469	466,272	640,723	649,880	645,127
Parking	6,601,604	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	2,195,434	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	233,490	22,944	(11,941)	358,444	446,579	4,836,102	5,756,027	5,488,667	3,317,370	-
Coliseum	933,056	868,837	860,631	904,524	923,664	875,880	918,823	1,005,036	952,007	-
Sunken Gardens	1,729,033	1,543,866	1,439,376	1,244,252	1,299,949	1,251,532	1,158,972	1,159,590	1,113,125	-
Total Business-type Activities	207,343,101	200,968,586	202,373,805	207,911,947	193,020,468	194,032,003	192,575,480	192,356,107	180,703,678	155,829,690
Total Primary Government Expenses	519,730,351	510,161,476	490,967,643	476,295,874	474,534,412	463,983,962	468,828,475	482,691,132	448,168,842	447,522,220
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	27,160,043	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
Community and Economic Development	11,362,654	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
Police	5,698,736	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
Fire and EMS	15,228,221	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
Public Works	1,158,126	1,086,202	905,723	1,085,615	1,481,064	1,287,717	730,562	262,034	611,424	5,812,897
Recreation and Culture	6,723,795	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
Operating Grants and Contributions	9,143,242	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
Capital Grants and Contributions	3,616,205	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
Total Governmental Activities Program Revenues	80,091,022	79,870,374	76,021,453	71,600,736	69,385,941	68,049,040	69,328,835	72,490,669	71,171,200	82,255,167
Business-type Activities:										
Charges for Services:										
Water and Waste Water Utility	134,294,599	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
Stormwater Utility	16,997,103	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
Sanitation	43,975,146	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
Tropicana Field	1,244,539	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	1,170,543	1,137,980	1,139,131	1,119,783	1,152,579	877,784	989,405	996,722	941,184	894,795
Port	257,610	88,260	133,899	43,928	105,162	57,875	206,372	185,026	182,920	189,581
Marina	3,837,891	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
Golf Courses	3,377,049	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
Jamestown Complex	589,778	583,266	469,030	465,173	486,373	453,737	388,540	526,014	503,500	510,024
Parking	8,541,206	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	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	729,666	659,576	568,464	568,681	576,373	493,279	544,769	559,190	502,147	-
Sunken Gardens	1,579,590	1,354,252	1,120,215	942,843	893,863	809,863	761,578	647,923	605,338	-
Operating Grants and Contributions	5,379,869	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
Capital Grants and Contributions	2,968,910	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
Total Business-type Activities Program Revenues	225,089,933	206,604,284	202,558,023	191,043,244	187,469,047	179,364,054	178,557,470	174,655,281	167,522,840	164,456,375
Total Primary Government Program Revenues	\$ 305,180,955	\$ 286,474,658	\$ 278,579,476	\$ 262,643,980	\$ 256,854,988	\$ 247,413,094	\$ 247,886,305	\$ 247,145,950	\$ 238,694,040	\$ 246,711,542
Net (Expense) Revenue										
Government Activities	\$ (232,296,228)	\$ (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)
Business-type Activities	17,746,832	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
Total Primary Government Program Revenues	\$ (214,549,396)	\$ (223,686,818)	\$ (212,388,167)	\$ (213,651,894)	\$ (217,679,424)	\$ (216,570,868)	\$ (220,942,170)	\$ (235,545,182)	\$ (209,474,802)	\$ (200,810,678)

City of St. Petersburg, Florida
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	2018 (3)	2017	2016	2015 (2)	2014	2013	2012 (1)	2011	2010	2009
General Revenues and Other Changes in Net Position										
Government Activities:										
Taxes										
Property Tax, Levied for general purposes	\$ 113,481,368	\$ 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
Public Service Tax	28,476,230	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
Occupational Tax	2,563,310	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
Franchise Tax	20,086,991	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
Intergovernmental										
Communication Services Tax	9,713,785	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
Sales Tax	18,946,004	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
Local Option Sales Surtax	26,762,676	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
State Tax Revenue Sharing (unrestricted)	9,602,861	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
Tourist Development Tax	-	-	-	7,848,164	6,853,977	5,932,587	5,864,763	4,977,610	4,502,390	4,691,881
Tax Increment	7,545,945	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
Gasoline Tax	3,541,715	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
Miscellaneous Taxes	688,242	734,050	671,296	538,399	595,971	579,702	638,497	421,329	498,733	514,170
Earnings on Unrestricted Investments	2,911,285	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
Unrealized Loss on Securities Lending	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Capital Assets	830,236	854,912	946,626	906,248	393,161	1,718,115	387,657	315,113	(4,252,521)	291,919
Special item - loss on change in capitalization threshold	-	-	-	-	-	(27,002,920)	-	-	-	-
Miscellaneous Income	2,260,241	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
Transfers	(17,125,207)	(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
Total Governmental Activities	<u>230,285,682</u>	<u>230,668,395</u>	<u>236,696,983</u>	<u>241,419,445</u>	<u>227,752,862</u>	<u>185,931,324</u>	<u>203,133,121</u>	<u>201,465,681</u>	<u>209,759,941</u>	<u>233,032,292</u>
Business-type Activities:										
Earnings on Unrestricted Investments	5,903,829	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
Unrealized Loss on Securities Lending	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on Sale of Capital Assets	260,838	202,994	24,529	122,310	194,469	362,819	45,629	457,340	(612,929)	506,090
Special item - loss on change in capitalization threshold	-	-	-	-	-	(9,841,305)	-	-	-	-
Miscellaneous Income	447,559	506,680	640,419	799,247	811,476	3,303,422	1,073,881	1,339,528	425,903	299,910
Transfers	17,125,207	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)
Total Business-type Activities	<u>23,737,433</u>	<u>10,561,490</u>	<u>(1,820,547)</u>	<u>(8,325,306)</u>	<u>(11,262,644)</u>	<u>(13,122,417)</u>	<u>(2,065,095)</u>	<u>(1,748,425)</u>	<u>2,045,999</u>	<u>(578,656)</u>
Total Primary Government	<u>\$ 254,023,115</u>	<u>\$ 241,229,885</u>	<u>\$ 234,876,436</u>	<u>\$ 233,094,139</u>	<u>\$ 216,490,218</u>	<u>\$ 172,808,907</u>	<u>\$ 198,338,513</u>	<u>\$ 199,717,256</u>	<u>\$ 211,805,940</u>	<u>\$ 232,453,636</u>
Change in Net Position										
Governmental Activities	\$ (2,010,546)	\$ 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
Business-type Activities	41,484,265	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
Total Primary Government	<u>\$ 39,473,719</u>	<u>\$ 17,543,067</u>	<u>\$ 22,488,269</u>	<u>\$ 19,442,245</u>	<u>\$ (1,189,206)</u>	<u>\$ (43,761,961)</u>	<u>\$ (19,874,144)</u>	<u>\$ (35,827,926)</u>	<u>\$ 2,331,138</u>	<u>\$ 31,642,958</u>

(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.

(3) GASB 75 was implemented in fiscal year 2018. Prior fiscal years are not restated.

City of St. Petersburg, Florida
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2018 (2)	2017	2016	2015	2014	2013	2012	2011	2010 (1)	2009
General Fund										
Non-Spendable	\$ 5,897,452	\$ 9,042,585	\$ 4,612,904	\$ 3,734,959	\$ 4,176,612	\$ 4,767,840	\$ 4,111,920	\$ 38,252	\$ 63,585	\$ -
Committed	32,551,839	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	28,914,291	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
Unreserved	-	-	-	-	-	-	-	-	-	42,629,314
Total Governmental Activities										
Fund Balance	67,363,582	64,301,536	62,414,658	60,683,803	50,396,513	40,030,426	38,349,166	45,292,458	53,439,353	43,356,189
All Other Governmental Funds										
Non-Spendable	\$ 489,216	\$ 503,700	\$ 433,883	\$ 387,311	\$ 395,569	\$ 385,698	\$ 374,190	\$ 10,061,295	\$ 353,792	\$ -
Restricted	174,540,097	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	22,297,481	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	17,267,944	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
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported In:										
Special Revenue Funds	-	-	-	-	-	-	-	-	-	59,568,462
Capital Projects Funds	-	-	-	-	-	-	-	-	-	56,805,379
Total of All Other										
Governmental Funds	<u>\$ 214,594,738</u>	<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>

(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.

(2) GASB 75 was implemented in fiscal year 2018. Prior fiscal years are not restated.

City of St. Petersburg, Florida
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	2018 (7)	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES										
Taxes	\$ 136,131,669	\$ 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
Public Service Tax (6)	28,476,230	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
Licenses and Permits	6,834,401	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
Fines and Forfeitures	3,236,956	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
Charges for Services and User Fees	29,314,716	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
Charges for General Administration	7,193,880	7,052,832	6,914,592	9,384,636	9,412,752	9306064	9306012	9403380	8724084	8809572
Intergovernmental Revenue										
Federal, State and Other Grants	12,280,802	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
State - Sales Tax	18,946,004	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
State - Revenue Sharing	10,032,005	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
State - Communication Services Tax	9,713,785	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
State - Housing Improvement Program	-	-	-	-	-	-	-	-	-	2,113,444
State - Other (1)	641,319	688,572	634,293	538,399	595,971	579,702	638,497	421,329	498,733	514,170
Pinellas County - Gasoline Tax	3,541,715	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
Pinellas County - Sales Tax	26,762,676	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
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
Pinellas County - Tax Increment	7,545,945	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
Pinellas County - Pedestrian Improvement Program	-	-	-	-	-	-	-	-	-	-
Pinellas County - Other	-	4,452,578	4,750,000	-	-	-	-	-	-	-
Total	89,464,251	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
Use of Money and Property										
Earnings on Investments	2,589,906	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
Other Interest Revenue (2)	-	-	-	-	-	-	-	-	-	-
Securities Lending	-	-	-	-	-	-	-	-	-	-
Securities Lending Unrealized Loss	-	-	-	-	-	-	-	-	-	-
Interest on Assessments	-	-	-	-	-	-	-	-	-	-
Rentals	1,622,565	800,935	649,838	614,453	526,352	432,751	411,250	400,759	358,830	2,920,852
Total	4,212,471	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
Miscellaneous										
Contributions	441,759	741,131	358,851	386,981	381,858	509,020	477,021	573,839	410,630	637,117
Assessments	1,323,463	927,588	1,109,677	465,516	1,999,997	1,059,024	605,383	500,686	615,887	190,434
Dispositions of Property	257,234	184,281	695,909	747,008	920,034	815,902	502,051	994,221	184,054	193,110
Settlement Revenues	-	13,389	-	8,000,000	-	3,997,159	-	-	-	-
Other (3)	2,708,225	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
Total	4,730,681	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
TOTAL REVENUES	309,595,255	296,397,473	284,116,198	284,996,847	268,915,760	260,935,198	248,006,203	251,820,527	267,234,285	292,673,599
EXPENDITURES										
Current Operations										
General Government	26,217,474	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
Community and Economic Development	17,863,104	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
Public Works	10,654,942	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
Public Safety										
Police	107,296,893	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
Fire and EMS	46,210,377	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
Recreation, Culture and Social	52,692,422	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
Securities Lending										
Interest	-	-	-	-	-	-	-	-	-	-
Agent Fees	-	-	-	-	-	-	-	-	-	-
Debt Service										
Principal Payments (5)	11,599,000	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
Interest Payments (5)	3,633,497	2,692,537	1,087,111	1,543,967	2,968,306	3,220,917	5,078,422	5,908,465	5,908,465	6,581,709
Remarketing and Other Fees	2,443	148,888	618,555	9,530	56,059	10,184	62,259	49,478	9,792	18,610
Bond Costs	-	-	-	-	-	-	-	-	-	-
Capital Outlay (4)	102,162,577	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
TOTAL EXPENDITURES	378,332,729	303,687,839	291,236,296	284,384,501	286,589,380	262,322,043	289,532,333	282,169,474	285,828,616	304,392,199
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(68,737,474)	(7,290,366)	(7,120,098)	612,346	(17,673,620)	(1,386,845)	(41,526,130)	(30,348,947)	(18,594,331)	(11,718,600)
OTHER FINANCING SOURCES (USES)										
Transfers In	62,287,543	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
Transfers Out	(43,454,275)	(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)
Loan Proceeds	-	-	-	-	-	-	-	-	-	-
Issuance of Debt	-	55,180,000	56,205,000	-	16,340,000	-	21,522,000	4,520,000	-	-
Premium	-	-	4,440,597	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	18,833,268	73,758,735	78,269,572	15,253,943	38,350,977	13,724,437	33,161,333	16,004,100	8,288,090	12,281,392
NET CHANGE IN FUND BALANCE	\$ (49,904,206)	\$ 66,468,369	\$ 71,149,474	\$ 15,866,289	\$ 20,677,357	\$ 12,337,592	\$ (8,364,797)	\$ (14,344,847)	(10,306,241)	\$ 562,792
Debt Services as % of Non-capital Expenditures (4)	4.88%	2.96%	5.94%	6.01%	12.81%	6.11%	15.66%	7.96%	9.35%	9.44%

(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".

(7) GASB 75 was implemented in fiscal year 2018. Prior fiscal years are not restated.



REVENUE CAPACITY INFORMATION

City of St. Petersburg, Florida
Taxable Assessed Value and Estimated Actual Value of Property ⁽¹⁾
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Tax Year	Residential Property	Commercial Property	Industrial Property	Agricultural 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)
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
2017-18	2017	20,319,006	3,231,754	522,187	125	2,546	1,238,189	1,124,569	58,992	194,090	10,446,456	16,245,002	6.755	19,111,767

(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 ⁽¹⁾
Last Ten Fiscal Years
In Mills, Per \$1,000 of Assessed Value

City Of St.Petersburg Direct Rates			Overlapping Rates ⁽²⁾				
General			Pinellas County				
Fiscal Year	Basic Rate	Total Direct Rate	County Board Rate	School Board Rate	EMS Rate	Others Districts Rate ⁽³⁾	Suncoast Transit Authority Rate
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
2017-18	6.7550	6.7550	5.3590	6.7270	0.9158	1.2086	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, 2018 and 2009

2018

2009

Principal Taxpayer	Business Type	Taxable Value	Rank	Percentage of Total Value (1)
Duke Energy	Utility - Power	\$ 214,899,259	1	1.24 %
Raymond James	Investments	122,388,724	2	0.70 %
De Bartolo Capital	Retail Mall	105,600,000	3	0.61 %
Bayfront Health	Healthcare	103,304,914	4	0.59 %
Beacon 430 G E N1814 LLC	Real Estate	73,775,000	5	0.42 %
T G M Bay Isle LLC	Real Estate	69,125,000	6	0.40 %
CREA 330 Third	Real Estate	68,054,500	7	0.39 %
C W St Pete	Real Estate	66,800,000	8	0.38 %
St Petersburg Property Investor LLC	Real Estate	61,175,000	9	0.35 %
Vinoy Hotel	Hotel	55,562,595	10	0.32 %
TOTAL		<u>\$ 940,684,992</u>		<u>5.42 %</u>

Principal Taxpayer	Business Type	Taxable Value	Rank	Percentage of Total Value (2)
Progress Energy Florida	Utility - Power	\$ 143,411,248.00	1	0.86 %
Raymond James	Investments	143,218,819.00	2	0.86 %
De Bartolo Capital	Retail Mall	118,800,000.00	4	0.71 %
Val-Pak	Advertising	133,171,404	3	0.8 %
Verizon Florida	Utility-Telephone	79,556,131	5	0.48 %
Franklin Templeton	Investments	75,456,295	6	0.45 %
Times Publishing	News Media	74,868,729	7	0.45 %
K P Holding	Real Estate	58,580,915	8	0.35 %
Bright House	Utility - Internet/Cable	54,866,406	9	0.33 %
Echelon	Real Estate	42,895,728	10	0.26 %
TOTAL		<u>\$ 924,825,675.00</u>		<u>5.55 %</u>

- (1) Pinellas County Property Appraiser: Total taxable value for 2018 is \$17,370,831,405.
(2) Pinellas County Property Appraiser: Total taxable value for 2009 is \$16,663,525,676.
(3) Not in the top 10 tax payers in fiscal year 2009.

City of St. Petersburg, Florida
Property Tax Levies and Collections ⁽¹⁾
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)
2008-09	98,287,212	94,785,536	96.43	445,123	95,230,659	96.89
2009-10	86,088,634	83,109,215	96.54	486,466	83,595,681	97.10
2010-11	77,259,092	74,570,330	96.52	649,701	75,220,031	97.36
2011-12	72,255,376	69,351,677	95.98	1,345,336	70,697,013	97.84
2012-13	81,749,936	78,779,223	96.37	313,994	79,093,217	96.75
2013-14	84,995,039	81,910,562	96.37	348,168	82,258,730	96.78
2014-15	91,706,371	88,387,819	96.38	254,670	88,642,489	96.66
2015-16	99,433,431	95,949,763	96.50	115,916	96,065,680	96.61
2016-17	107,448,133	103,700,661	96.51	93,770	103,794,430	96.60
2017-18	117,340,017	110,595,047	94.25	-	110,595,047	94.25

(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
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
2018	55,732,000	-	-	13,315,000	-	55,255,000	-	3,512,056

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
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
2018	584,524,765	2,400,000	-	-	4,960,000	12,955,209	725,629,918

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)
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
2018	0.0418	2,834.15	17,370,831,405	256,031	8,122,327	8.93

- (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)
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
2018	-	-	-	-	17,370,831,405

(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, 2018

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Pinellas County School Board	\$ 72,531,610	26.96%	\$ 19,525,509
Pinellas County	10,077,595	26.96%	2,712,889
Subtotal, Overlapping Debt			22,238,398
City Direct Debt (3)			<u>127,814,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 150,052,398</u></u>

(1) Pinellas County School Board Annual Financial Report for the year ended June 30, 2018; Pinellas County Fiscal Year 2018 CAFR.

(2) Overlap percentage is calculated as the total population for the City of St. Petersburg (256,031) divided by total population for Pinellas County (949,842). 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 2018

Taxable Assessed Value - January 1, 2017 (1)	\$ 17,370,831,405
Debt Limit - Percentage of Taxable Assess Value (2)	<u>0.125</u>
Legal Limitation for the Issuance of General Obligation Bonds	<u>2,171,353,926</u>
Amount of Debt Applicable to Debt Limit	-
Legal Debt Margin	<u>2,171,353,926</u>

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt Limit	\$ 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	\$ 2,171,353,926
Total Net Debt Applicable to Limit	-	-	-	-	-	-	-	-	-	-
Legal Debt Margin	<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>	<u>\$ 2,171,353,926</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Pinellas County Property Appraiser

(2) City Code

City of St. Petersburg, Florida
Pledged-Revenue Coverage (1)
Last Five Fiscal Years

Professional Sports Facility Sales Tax Bonds, Series 2003 (Refunded) (2) (3)				
Fiscal Year	Revenue	Debt Service		Coverage
		Principal	Interest	
2014	\$ 2,000,143	\$ 1,120,000	\$ 786,950	1.05
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-

Professional Sports Facility Sales Tax Bonds, Series 2014 (2) (3)				
Fiscal Year	Revenue	Debt Service		Coverage
		Principal	Interest	
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	1.05
2018	2,000,004	1,530,000	389,064	1.04

Excise Tax Revenue Bonds (2) (4)				
Fiscal Year	Revenue	Debt Service		Coverage
		Principal	Interest	
2014	\$ 24,533,313	\$ 7,390,000	\$ 965,543	2.94
2015	26,066,386	7,770,000	581,000	3.12
2016	18,989,330	7,735,000	193,374	2.40
2017	-	-	-	-
2018	-	-	-	-

Public Service Tax Revenue Bonds, Series 2016A and 2016B				
Fiscal Year	Revenue	Debt Service		Coverage
		Principal	Interest	
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
2018	28,476,230	550,000	1,965,188	11.32

(1) Principal and interest amounts are from the City of St. Petersburg 2018 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 ⁽¹⁾
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	
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
2018	155,650,612	94,525,121 (3)	61,125,491	10,485,563	16,250,173	2.29

Fiscal Year	Bond Service Coverage		
	Debt Service		Coverage
	Principal	Interest	
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
2018	8,545,000	15,880,902	2.50

(1) Principal and interest amounts are from the City of St. Petersburg 2018 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 includes amortized state revolving loan subordinate debt service and excludes the Bond Anticipation Note for \$120 million repaid subsequent to year end.

(3) Calculation excludes pension expense related to GASB 68 Pension Accounting Standards starting in FY 2015 and excludes OPEB expense related to GASB 75 OPEB Accounting Standards starting FY 2018. Calculation continues to include the pension expense based on the actuarially determined contribution (funding).



DEMOGRAPHIC AND ECONOMIC INFORMATION

City of St. Petersburg, Florida
Demographic and Economic Statistics ⁽¹⁾
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>
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
2018	256,031	8,122,327	31,724	42.6	2.7

(1) US Census Bureau and Bureau of Labor Statistics

City of St. Petersburg, Florida
Principal Employers (1)(4)
Current and Nine Years Prior

Employer	2018			2009		
	Employees	Rank	Percentage of Total City Employment (2)	Employees	Rank	Percentage of Total City Employment (3)
Raymond James & Associates	4,100	1	2.92 %	2,700	1	2.39 %
All Children's Health	3,500	2	2.50 %	2,300	2	2.04 %
HSN	2,200	3	1.57 %	1,700	5	1.50 %
St. Anthony's Hospital	2,100	4	1.50 %	1,400	8	1.24 %
Publix Super Markets	2,000	5	1.43 %			
FIS Management Services	1,900	6	1.36 %	2,000	4	1.77 %
Jabil Circuit	1,700	7	1.21 %	1,400	6	1.24 %
Bayfront Medical	1,500	8	1.07 %	2,200	3	1.95 %
Charter Communications	1,200	9	0.86 %	1,400	7	1.24 %
Power Design	1,000	10	0.71 %			
Times Publishing Company				1,000	9	0.89 %
Franklin Templeton						
Duke/Progress Energy				1,000	10	0.89 %
Total	<u>21,200</u>		<u>15.13 %</u>	<u>17,100</u>		<u>15.15 %</u>

(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 (140,214)

(3) City of St. Petersburg Economic Development Department. Total employees per principal employer divided by total employees in the City of St. Petersburg for 2009 (113,000 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

	2018		2017		2016		2015 (2)		2014		2013	
	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	333	8	327	15	325	13	289	6	279	11	280	11
Community and Economic Development	189	48	182	47	176	46	183	45	180	44	183	45
Police (3)	771	103	775	104	753	34	741	33	738	12	733	16
Fire and EMS	383	-	387	-	352	1	342	1	333	1	330	1
Public Works (3)	139	1	131	1	128	71	143	76	203	80	193	80
Recreation and Culture	361	351	352	360	360	436	343	384	331	418	329	322
Water and Wastewater Utility	327	2	302	3	308	2	297	2	296	2	296	2
Stormwater Utility	158	-	154	-	129	-	128	1	57	-	58	-
Sanitation	192	3	189	4	188	4	180	5	167	4	168	5
Airport	3	-	4	-	3	-	4	-	3	-	3	-
Port	2	1	1	2	1	2	1	3	1	3	1	5
Marina	10	7	12	7	12	6	10	8	10	8	11	8
Golf Courses	21	39	19	37	20	38	20	37	22	38	23	38
Jamestown Complex	4	-	4	-	4	-	4	-	4	-	4	-
Total City-Wide	2,893	563	2,839	580	2,759	653	2,685	601	2,624	621	2,612	533

(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 the Crossing Guards were moved from the Public Works Dept to the Police Dept.

City of St. Petersburg, Florida
Full and Part Time City Government Employees by Function/Program (1)
Last Ten Fiscal Years

	2012 (2)		2011		2010		2009	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government	276	20	399	20	406	17	406	27
Community and Economic Development	183	47	153	35	162	38	174	51
Police	740	16	755	14	769	14	753	13
Fire and EMS	325	2	324	0	325	1	343	1
Public Works	189	70	125	75	119	75	125	77
Recreation and Culture	325	317	324	316	330	282	343	263
Water and Wastewater Utility	310	3	315	2	304	4	310	5
Stormwater Utility	57	-	55	2	59	1	61	0
Sanitation	167	5	175	5	172	8	172	7
Airport	3	-	3	-	3	1	3	0
Port	1	5	2	4	4	3	4	3
Marina	13	6	11	7	11	8	11	8
Golf Courses	23	39	25	27	26	34	26	36
Jamestown Complex	4	-	2	-	4	-	3	0
Total City-Wide	2,616	530	2,668	507	2,694	486	2,734	491

(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	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government										
Parking (1)										
Southcore parking garage (number of monthly contract users)	213,598	216,710	217,866	180,000	106,000	122,000	181,000	165,000	152,000	121,000
Southcore parking garage (number of daily users)	27,844	19,605	16,260	13,000	13,000	15,000	28,000	19,000	14,000	26,000
Midcore parking garage (number of monthly contract users)	185,178	167,743	146,850	113,000	73,000	135,000	130,000	92,000	89,000	98,000
Midcore parking garage (number of daily users)	245,444	269,458	274,772	220,000	110,000	165,000	154,000	143,000	137,000	245,000
Utility Accounts (2)										
Utility Customers	93,639	93,567	93,690	92,693	91,195	90,816	89,889	90,318	89,780	90,148
Meters Read	1,149,784	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
Bills Produced / Mailed	1,135,723	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
Community and Economic Development										
Economic Development (3)										
Occupational Licenses Issued	16,082	16,149	16,082	15,981	16,077	15,520	15,923	15,103	15,498	15,768
Total Existing and Available Downtown Office Space (000's)	4,272	4,328	4,367	4,692	4,692	4,692	4,692	4,692	4,692	4,647
Occupancy Rate	93%	93%	90%	88%	85%	87%	86%	83%	86%	89%
Total Existing and Available Gateway Office Space (000's)	5,864	5,864	5,864	5,846	5,683	5,454	5,454	5,454	5,454	5,454
Occupancy Rate	95%	94%	92%	91%	91%	90%	90%	89%	86%	86%
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	4,590
Occupancy Rate	92%	92%	90%	90%	91%	87%	88%	88%	94%	93%
Total Existing and Available Retail Space Citywide (000's)	11,794	11,619	11,620	11,545	11,598	11,687	11,600	11,523	11,504	11,443
Occupancy Rate	95%	96%	92%	94%	93%	93%	93%	91%	91%	92%
Permitting and Community Codes (4)										
Building Permits Issued	34,382	31,169	28,871	25,509	23,754	22,607	19,463	17,376	15,894	13,007
Total Construction Value	695,872,865	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
Neighborhood Services (5)										
Neighborhood Services - Codes Compliance										
Cases Opened From Citizen Complaints	18,873	16,425	12,023	15,145	14,204	12,130	11,582	12,967	11,380	10,879
Cases Opened Internally and By Survey	14,717	14,720	17,718	15,909	11,518	13,656	12,235	11,419	13,744	11,881
Number of Legal Actions By:										
Specials Magistrate and Code Enforcement Board	3,257	3,247	3,485	3,391	3,882	3,695	3,769	3,476	3,800	3,849
Court Action (Ordinance Violations)	347	485	557	597	519	480	680	783	841	841
Civil Citation (6)	3,257	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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government (Continued)										
Police (7)										
Citizen Calls for Service	104,937	133,993	131,163	129,441	128,551	124,549	123,164	125,635	100,592	137,462
UCR Part I Crimes (City) (8) (9)	8,881	14,688	14,036	16,436	16,155	15,291	14,761	15,383	13,465	20,255
Average Priority One Travel Time (Minutes)	5	5	5	5	5	5	5	5	5	5
Average Priority One Response Time (Minutes)	6	6	6	6	6	6	6	6	6	6
Fire and EMS (8)										
Fire and Emergency Responses	62,388	63,626	61,130	56,808	52,834	49,262	47,865	48,625	47,075	47,157
Fire Average Response Time (Minutes)	4:38:00	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
Rescue Average Response Time (Min)	4:17:00	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
Recreation, Culture and Social										
Libraries (9)										
Items Circulated	1,219,315	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
Facility Use (Number of Patrons Visiting)	988,736	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
Internet/Computer Use	318,225	250,115	265,314	290,235	333,112	362,963	383,755	438,910	470,709	379,666
Parks and Recreation (10)										
Recreation Centers										
Attendance	722,755	767,985	838,636	827,434	769,483	772,555	799,975	761,915	761,348	757,117
Rate of Recovery	34.45%	34.48%	34.05%	35.87%	34.46%	38.05%	43.45%	40.56%	40.18%	45.14%
Swimming Pools										
Attendance	318,718	273,250	295,951	272,108	267,054	296,524	286,448	252,594	291,384	298,165
Rate of Recovery	31.20%	27.54%	30.74%	28.62%	32.90%	36.78%	36.87%	31.75%	30.33%	31.41%
Multi-Service and Adult Centers										
Attendance	294,373	304,928	208,775	311,210	318,400	285,514	325,858	348,533	350,353	354,421
Rate of Recovery	20.98%	22.94%	21.41%	24.89%	25.56%	26.12%	26.85%	22.55%	20.54%	19.21%

(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

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Enterprise										
Sanitation (13)										
Commercial Waste Customers	5,860	5,824	5,817	5,791	5,793	5,812	5,787	5,783	5,713	5,657
Residential Waste Customers	79,771	79,804	78,563	77,702	76,774	76,309	75,968	76,093	76,080	78,825
Special Services										
Pick-up Requests	48,259	48,474	44,425	34,259	28,936	22,318	20,377	18,809	18,773	20,645
Recycling Centers	46	64	64	64	64	64	68	73	71	73
Tons of Yard Waste	52,544	68,865	60,707	47,247	43,214	39,165	40,773	46,922	42,688	42,962
Water Resources (14)										
Potable Water										
Per Capita Usage Per Day (Gross)	78	80	80	78	78	79	86	81	82	81
Gallons Pumped Per Day (MGD)	29	29	29	28	28	29	29	28	27	28
New Installations	394	381	339	272	226	227	207	168	182	142
Reclaimed Water Distribution										
Number of Reclaimed Customers	11,105	11,107	11,022	11,010	10,988	10,992	10,940	10,925	10,924	11,153
Number of New Installations	87	128	84	57	61	66	73	54	54	93
Average Annual Reclaimed Water Use vs. Deep Well Injection (MGD)	14.47/20.72	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
Number of Gallons Pumped (In thousands)	12,845	12,996	15,158	13,909	12,059	12,615	12,291	11,451	12,340	11,369
Stormwater (15)										
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)	47,161	37,380	37,380	37,380	37,380	37,380	37,380	37,380	37,380	37,380
Airport (16)										
Leases (Expired/Renewal/New)	3	2	3	2	3	4	5	2	1	1
Total Lease Value	1,171,000	1,208,000	1,137,000	1,117,000	1,153,000	878,500	989,000	998,000	943,000	896,000
Number of Airport Operations	82,096	94,870	83,296	89,055	97,691	92,710	85,900	77,566	77,600	83,398
Number of Based Aircraft	180	185	185	185	185	185	185	184	184	184
Port (17)										
Leases (Expired/Renewal/New)	1	1	1	1	1	1	1	1	1	1
Number of Ship Days Per Year	687	454	372	128	447	142	408	677	764	745
Number of Visiting Ships	72	26	34	12	23	32	63	35	42	41
Marina (18)										
Occupancy Rate	89%	90%	95%	95%	93%	91%	94%	92%	92%	94%
Golf Courses (19)										
Number of Rounds Per Year										
Mangrove Bay	58,293	47,870	61,621	64,472	66,930	67,357	69,581	68,674	65,939	71,267
Twin Brooks	18,452	17,744	19,377	11,811	15,787	17,599	19,640	19,237	18,856	23,545
Cypress Links	26,948	28,953	29,590	32,050	30,894	31,997	32,349	32,735	32,050	38,244
Jamestown Complex (20)										
Vacancy Rate	9.21%	10.85%	17.00%	19.00%	22.00%	18.42%	23.68%	39.47%	18.42%	11.84%

(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 ⁽¹⁾
Last Ten Fiscal Years

Function/Program	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
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	414	419	419	401	394	414	414	414	381	401
Fire and EMS (3)										
Stations	13	13	12	12	12	11	11	11	11	12
Fire Fighting Units	17	18	16	16	16	16	16	16	22	22
Rescue Units	12	12	10	10	10	12	12	12	14	15
Support Specialty Units	8	8	9	9	8	8	8	8	8	8
Public Works (4)										
Streets and Alleys (Number) (13)	14,727	11,935	13,849	13,849	13,849	13,849	13,849	13,849	13,849	14,022
Streets and Alleys (Miles) (13)	1,201	985	1,187	1,187	1,187	1,187	1,187	1,198	1,198	1,202
Seawalls and Retaining Walls (Miles)	14	14	12	12	12	12	12	12	12	12
Bridges (Number)	82	80	81	81	81	81	82	82	81	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	155	154	154	151	151	150
Park Acres	2,460	2,460	2,457	2,457	2,457	2,449	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	65	66	66	66	66	66	66	66	66	66
Dog Parks	6	6	6	6	6	6	6	6	6	6
Public Beaches	5	5	5	5	5	5	5	5	5	5
Skate Parks	3	2	2	2	2	2	2	2	2	2
Water and Wastewater Utility Resources (7)										
Water Mains (Miles)	1,543	1,543	1,543	1,531	1,531	1,543	1,564	1,564	1,571	1,579
Potable Water Mains Replaced (Linear Feet)	25,425	36,075	42,943	37,319	41,220	34,556	53,179	57,035	56,702	66,282
Sanitary Sewer Collection Mains (Miles)	977	962	962	962	937	937	937	937	942	944
Sanitary Sewer Pipe Replacement (Linear Feet)	31,801	17,252	16,106	25,183	5,568	12,848	11,603	8,894	32,089	18,753
Sanitary Sewer Pipe Rehabilitation CIPP (Linear Feet)	185,717	62,292	70,596	14,701	27,918	50,153	34,942	33,191	25,873	9,107
Reclaimed Water Lines	287 Miles	287 Miles	287 Miles	283 Miles	283 Miles	287 Miles	287 Miles	287 Miles	287 Miles	290 miles
	3	3	3	3	4	4	4	4	4	4

City of St. Petersburg, Florida
Capital Asset Statistics by Function/Program ⁽¹⁾
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Stormwater Utility (8)										
Storm Drainage - Miles of Pipe	555	484	484	484	484	484	483	483	478	484
Catch Basins	13,948	13,948	13,942	13,942	13,942	13,942	13,942	13,942	13,942	13,894
Grate Inlets	4,690	4,690	4,686	4,686	4,686	4,686	4,686	4,686	4,686	4,572
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	150	148	148	144	136	134	136	136	215	217
Marina (10)										
Slips	641	641	641	645	645	645	650	650	650	655
Number of Transient Boats Docked	675	901	817	787	663	388	519	471	411	497
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
- (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
- (13). Updated Data for better GIS Information to collect Data

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, 2018, 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 26, 2019.

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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, as described in the accompanying schedule of findings and questioned costs, as finding 2018-001, which we consider to be a significant deficiency.

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*.

City's Response to Finding

The City's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this 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 26, 2019

**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, 2018. 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 and state 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, 2018.

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 26, 2019

City of St. Petersburg, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Fiscal Year Ended September 30, 2018

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
U. S. DEPARTMENT OF AGRICULTURE				
Child and Adult Care Food Program Passed through Florida Department of Health Child and Adult Care Food Program FY18	10.558	A-1096	\$ -	\$ 188,677
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 FY18	10.559	18635	-	522,077
Total Department of Agriculture			-	710,754
U. S. DEPARTMENT OF COMMERCE				
Coastal Zone Management Administration Awards Passed through Florida Department of Environmental Protection Little Bayou Park Coastal Improvements	11.419	CM733	-	17,591
Total Department of Commerce			-	17,591
U. S. ENVIRONMENTAL PROTECTION AGENCY				
Brownfields Assessment and Cleanup Cooperative Agreements USEPA Brownfields Assessment Grant	66.818	BF-00D45716-0	-	91,263
Total Environmental Protection Agency			-	91,263
U. S. DEPARTMENT OF HOMELAND SECURITY				
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	-	16,132
Flood Mitigation Assistance Grant Program - Reconstruction	97.029	FMA-PJ-04-FL-2014-021	-	330,273
Flood Mitigation Assistance Grant Program - 2015 HMA Grant	97.029	FMA-PJ-04-FL-2015-006	-	11,171
Total Flood Mitigation Assistance			-	357,576
Disaster Grants - Public Assistance Hurricane Hermine	97.036	17-PA-W1-08-62-01-033	-	679,211
Total Disaster Grants - Public Assistance			-	679,211
2016 Assistance to Firefighters Grant 2016 AFG	97.044	EMW-2016-FO-02901	-	44,886
Total Assistance to Firefighters Grant			-	44,886
Homeland Security Grant Program Passed through Hillsborough County, FL Florida Task Force 3 Urban Search & Rescue Team	97.067	16-DS-T9-08-39-01-415	-	5,003
Total Homeland Security Grant Program			-	5,003
Staffing for Adequate Fire and Emergency Response (SAFER) SAFER 2015 Total Staffing for Adequate Fire and Emergency Response	97.083	EMW-2015-FH-00164	-	785,893
Total Department of Homeland Security			-	785,893
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
CDBG Entitlement Grants Cluster Direct Program				
Community Development Block Grant	14.218	B-14-MC-12-0017	52,027	175,854
Community Development Block Grant	14.218	B-15-MC-12-0017	175,646	117,737
Community Development Block Grant	14.218	B-16-MC-12-0017	109,341	115,571
Community Development Block Grant	14.218	B-17-MC-12-0017	24,492	1,095,867
Community Development Block Grant	14.218	Program Income (3)	245,965	163,418
Neighborhood Stabilization Program	14.218	Program Income (3)	-	235,002
Total CDBG Entitlement Grants Cluster			607,471	1,903,449

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, 2018

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	PASSED THROUGH TO SUBRECIPIENTS	EXPENDITURES
Emergency Solutions Grant Program				
Emergency Solutions Grant Program	14.231	E-16-MC-12-0017	35,057	35,057
Emergency Solutions Grant Program	14.231	E-17-MC-12-0017	76,717	87,566
Total Emergency Solutions Grant Program			111,774	122,623
HOME Investments Partnerships Program				
HOME Investment in Affordable Housing	14.239	M-13-MC-12-0220	-	256,655
HOME Investment in Affordable Housing	14.239	M-14-MC-12-0220	12,000	443,643
HOME Investment in Affordable Housing	14.239	M-15-MC-12-0220	5,600	35,048
HOME Investment in Affordable Housing	14.239	M-16-MC-12-0220	182,399	211,733
HOME Investment in Affordable Housing	14.239	M-17-MC-12-0220	40,348	128,086
HOME Investment in Affordable Housing	14.239	Program Income (3)	54,555	190,453
Total HOME Investment Partnerships Program			294,902	1,265,618
Total Department of Housing and Urban Development			1,014,147	3,291,690
U. S. DEPARTMENT OF THE INTERIOR				
Clean Vessel Act Program				
Passed Through State of Florida Department of Environmental Protection				
Florida Clean Vessel Act	15.616	F14AP00978	-	80,462
Total Department of The Interior			-	80,462
U. S. DEPARTMENT OF JUSTICE				
JAG Program				
Edward Byrne Memorial Justice Assistance Program				
Passed through Pinellas County				
Edward Byrne Memorial Justice Assistance 2015	16.738	2015-DJ-BX-0798	-	37,085
Edward Byrne Memorial Justice Assistance 2016	16.738	2016-DJ-BX-0618	-	43,687
Total JAG			-	80,772
Equitable Sharing Program	16.922	N/A	-	117,645
Total Equitable Sharing Program			-	117,645
Total Department of Justice			-	198,417
U. S. DEPARTMENT OF TRANSPORTATION				
Airport Improvement Program				
Taxiway C Construction	20.106	3-12-0074-025-2017	-	271,292
Total Airport Improvement Program			-	271,292
Highway Planning & Construction Cluster				
Passed through Florida Department of Transportation				
30th Ave North Bicycle Facility from 58th St to MLK	20.205	GO665	-	2,185,719
Sexton Elementary Project	20.205	GOE53	-	19,555
Treasure Island Causeway Trail 2016	20.205	GOB64	-	654,706
Pinellas Trail Extension Project	20.205	AR190	-	175,946
Treasure Island LAP Phase II	20.205	G0S65	-	33,574
Passed through University of South Florida				
High Visibility Enforcement for Pedestrian and Bicycle Safety	20.205	G0O23	-	72,286
Total Highway Planning & Construction Cluster			-	3,141,786
Federal Transit Cluster				
Passed through Pinellas County, FL				
Central Ave Bus Rapid Transit Corridor Enhancements	20.500	FL-04-0134-00	-	5,181
Downtown St. Petersburg Intermodal Facility Study	20.500	FL-03-0322-00	-	1,642
Total Federal Transit Cluster			-	6,823
Total Department of Transportation			-	3,419,901
Total Expenditures of Federal Awards			\$ 1,014,147	\$ 9,682,647

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, 2018

STATE AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
DEPARTMENT OF AGRICULTURE & CONSUMER SERVICES			
Natural Gas Fuel Fleet Vehicle Rebate Program			
Natural Gas Fuel Fleet Vehicle Rebate Program	42.029	N/A	48,714
Financial Assistance Agriculture Education & Promotion Facility			
Boyd Hill Nature Preserve Agriculture Education Building	42.047	ADCDF3	446,296
Total Department of Agriculture & Consumer Services			495,010
DEPARTMENT OF ENVIRONMENTAL PROTECTION			
Wastewater Treatment Facility Construction			
Clean Water - State Revolving Funds	37.077	WW520630 - Prior Years	20,370,669
Clean Water - State Revolving Funds	37.077	WW520630 - FY 2018	24,706,171
Total Wastewater Treatment Facility Construction			45,076,840
Division of Waste Cleanup			
Voluntary Cleanup Tax Credit	37.056	N/A	41,384
Total Division of Waste Cleanup			41,384
Total Department of Environmental Protection			45,118,224
DEPARTMENT OF LAW ENFORCEMENT			
State Asset Forfeiture	N/A	N/A	278,194
Total Department of Law Enforcement			278,194
DEPARTMENT OF REVENUE			
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
Total Department of Revenue			2,000,004
DEPARTMENT OF TRANSPORTATION			
Florida Highway Beautification Grant Program - Keep Florida Beautiful			
Citywide Highway Landscape Rehabilitation Project	55.003	AQ652	59,809
Citywide Highway Landscape Improvements Project - (4th St N)	55.003	AS083	249,589
Citywide Highway Landscape Improvements Project - (I-375)	55.003	AS189	14,933
Citywide Highway Landscape Improvements Project - (I-275)	55.003	AS081	16,654
Citywide Highway Landscape Improvements Project - (SR594)	55.003	AS082	30,191
Citywide Highway Landscape Improvements Project - (SR595)	55.003	AS191	315,000
Total FL Highway Beautification Grant Program - Keep FL Beautiful			686,176
Aviation Grant Programs			
Hanger #1 Rehabilitation & Upgrade	55.004	AQY57	58,200
Airport Terminal Hanger	55.004	ART47	235,907
Airport Terminal Hanger	55.004	G0Q81	243,887
Taxiway C Rehab (Design)	55.004	GO147	12,763
Taxiway C South Ramp (Construction)	55.004	G0I46	297,299
Southwest Hangar Redevelopment Project	55.004	GO353	13,331
Southwest Hangar Redevelopment Project	55.004	ART47	13,331
Southwest Hangar Redevelopment Project	55.004	GO645	13,331
Southwest Hangar Redevelopment Project	55.004	ARK68	10,242
Total Aviation Development Grants			898,291
Total Department of Transportation			1,584,467
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION			
Gopher Tortoise Habitat Management Assistance	N/A	B1FA60	15,000
Total Florida Fish and Wildlife Conservation Commission			15,000

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, 2018

STATE AWARDS FUNDING SOURCE AND GRANT PROGRAM	CSFA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
FLORIDA HOUSING FINANCE CORPORATION			
State Housing Initiatives Partnership (SHIP) Program			
State Housing Initiatives Partnership 2015-2016	40.901	N/A	\$ 50,210
State Housing Initiatives Partnership 2016-2017	40.901	N/A	994,387
State Housing Initiatives Partnership 2017-2018	40.901	N/A	244,404
State Housing Initiatives Partnership	40.901	Program Income (3)	553,343
Total Florida Housing Finance Corporation			<u>1,842,344</u>
Total Expenditures of State Financial Assistance			<u>\$ 51,333,243</u>
Total Expenditures of Federal Awards And State Financial Assistance			<u>\$ 61,015,880</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, 2018

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, 2018.

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, 2018. 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, 2018.

PROGRAM TITLE	CFDA/CSFA	TOTAL
US Dept of Housing and Urban Development		
Community Development Block Grant	14.218	\$ 143,459
Neighborhood Stabilization Program	14.218	87,210
HOME Investment in Affordable Housing	14.239	4,578,882
Florida Housing Finance Corp		
State Housing Initiative Partnership	40.901	4,244,011

City of St. Petersburg, Florida
Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2018

NOTE 5 – PRIOR YEAR PROGRAM EXPENDITURE ADJUSTMENT

The Florida Department of Transportation sub-awarded to the City of St. Petersburg, Federal funding for installing on-street bicycle lanes under contract number ARU40. The expenditures related to this award reported on the Fiscal Year 2017 SEFA included \$ 92,041 that was deemed ineligible by the grantor during Fiscal Year 2018.

City of St. Petersburg, Florida
Schedule of Expenditures of Other Governmental Agencies Awards
Fiscal Year Ended September 30, 2018

OTHER GOVERNMENTAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	GRANT CONTRACT NUMBER	EXPENDITURES
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT		
14th Ave North Stormwater Improvements	15C00000040	\$ 236,760
Snell Isle Blvd NE, Rafael Blvd and Vicinity Storm Drainage Improvements	14C00000019	28,742
8th Ave South, 44th Street South and Vicinity Storm Drainage Improvements	16CF0000164	501,383
34th Avenue Northeast Poplar Storm Drainage Improvements	17CF0000406	85,000
City of St Petersburg Watershed Management Plan	18FC0000853	273,762
St. Petersburg Sensible Sprinkling Program Phase 7	14C00000010	20,531
St. Petersburg Sensible Sprinkling Program Phase 8	18CF0000906	11,947
St. Petersburg Toilet Replacement Program Phase 15	15C00000050	2,597
St. Petersburg Toilet Replacement Program Phase 16	17CF0000458	27,108
Total Southwest Florida Water Management District		1,187,830
PINELLAS COUNTY		
Interlocal Agreement - Streetscape Improvements	N/A	19,437
Interlocal Agreement - Sidewalks	N/A	20,605
Interlocal Agreement - Jamestown	N/A	406,627
Interlocal Agreement - Oak Street Drainage	N/A	543,505
Municipal Recycling Reimbursement Program	N/A	191,531
Total Pinellas County		1,181,705
JUVENILE WELFARE BOARD OF PINELLAS COUNTY		
Direct Program		
TASCO Out of School Time FY18	N/A	1,485,687
TASCO Youth Programs - Matched Partnership FY18	N/A	489,127
Total Juvenile Welfare Board of Pinellas County		1,974,814
FOUNDATION FOR HEALTHY ST. PETERSBURG		
Pass Through Florida Department of Health Community Resource Bus FY17	PSR83	13,623
Total Foundation for Healthy St. Petersburg		13,623
Total Expenditures of Other Governmental Awards		\$ 4,357,972

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, 2018

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, 2018.

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, 2018.

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, 2018.

PROGRAM TITLE	TOTAL
Pinellas County Local Housing Assistance Program	\$ 2,376,123

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS –
FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS

YEAR ENDED SEPTEMBER 30, 2018

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>	<u>Cluster or Program Name</u>
14.239	HOME Investment Partnerships Program
20.205	Highway Planning and Construction Cluster
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

Identification of major state projects:

<u>CSFA#</u>	<u>Cluster or Program Name</u>
37.077	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, 2018

Part I – Summary of Auditor’s Results (continued)

Dollar threshold used to distinguish
between Type A and Type B Programs:

Federal	\$ 750,000
State	\$1,540,029

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*.

Finding 2018-001: Significant Deficiency in Internal Controls Related to Inventory Management

Criteria: Management is responsible for establishing and maintaining internal controls to ensure inventory is properly recorded, tracked, and expensed when consumed.

Condition: The City maintains a central warehouse and inventory system which manages and tracks inventory. Inventory relating to Water Resources is recorded as an expense when it is moved from the central warehouse to various storage (sub-warehouse) locations throughout the City. In addition, the storage (sub-warehouse) locations were not consistently properly tracking such inventory. During the current fiscal year, the City’s Finance Department became aware of the existence of such inventory and methodology, and recorded the inventory value at fiscal year-end net of an allowance calculated per the Water Resources’ work order management system inventory records and the Internal Audit Department’s annual inventory verification documentation.

Cause: In prior fiscal years, the Water Resources Department implemented an inventory tracking system where inventory not stored at the City’s central warehouse was expensed at delivery to the storage (sub-warehouse) and not as consumed.

Effect: In prior fiscal years, the Water Resources Department recorded as expense items that were not yet consumed, which should be reported as an asset. An adjustment of approximately \$1,200,000 was necessary in order to report all inventory held by the City.

Recommendation: We recommend that policies and procedures be established, adopted, and adhered to, that will ensure citywide assets, including inventory, are adequately maintained, recorded, and timely communicated to the Finance Department. Further, during the implementation of any technology system within the City, the Finance Department should approve the system’s accounting and transaction recording methodologies to ensure proper asset identification, valuation, consumption, and recording to the City’s General Ledger financial system.

Management’s Response: Management concurs with the recommendation.

CITY OF ST. PETERSBURG, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS –

**FEDERAL AWARDS PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
(CONTINUED)**

YEAR ENDED SEPTEMBER 30, 2018

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.

There were no prior audit findings for the basic financial statements.

February 26, 2019

CORRECTIVE ACTION PLAN

Issue: Internal control finding of a significant deficiency: Finding 2018-001: Significant deficiency in internal controls related to inventory management.

Corrective Action Plan: Anne Fritz, Chief Financial Officer, or her designee will be responsible to review the Water Resource inventory process, evaluate current systems to ensure compliance with city policies, internal controls, and proper accounting standards. Further, during the implementation of any technology system within the City, the Finance Department will be required to approve the system's accounting and transaction recording methodologies to ensure proper asset identification, valuation, consumption, and recording to the City's General Ledger financial system. **Estimated date of completion: On or before September 30, 2019.**



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

City of St. Petersburg, Florida
Summary Schedule of Prior Audit Findings
Federal Awards Programs and State Financial Assistance Projects
Year Ended September 30, 2018

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 fiscal year ended September 30, 2018, and have issued our report thereon dated February 26, 2019.

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 26, 2019, 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

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the 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.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Our current year finding and recommendation is listed in Appendix A to this Management Letter.

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 26, 2019

CITY OF ST. PETERSBURG, FLORIDA

APPENDIX A - RECOMMENDATIONS TO IMPROVE FINANCIAL MANAGEMENT

YEAR ENDED SEPTEMBER 30, 2018

2018-A: Financial Reporting of Public Utility Bond

Criteria: Management is responsible for establishing and maintaining internal controls to ensure that debt and related gains on refunding are properly recorded.

Condition: A portion of the 2009A Public Utility Bond was incorrectly recorded as a full refund during the year ended September 30, 2017; however, during the year ended September 30, 2018, management determined that the transaction was a partial refunding.

Cause: Due to the vast amount of documentation related to the refunding, management incorrectly recorded a full refunding of the 2009A Public Utility Bond.

Effect: Long-term liabilities and the deferred amount on debt refunding was overstated by \$1,870,000 in the Comprehensive Annual Financial Report for the year ended September 30, 2017.

Recommendation: We recommend that management strengthen controls existing to ensure debt refunding transactions are appropriately accounted for.

Management's Response: Management concurs with the recommendation.

**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 Section 218.415, *Florida Statutes*, during the year ended September 30, 2018. 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, 2018.

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 26, 2019

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, 2018

<u>Source</u>	<u>Amount Received in 2017-18 Fiscal Year</u>	<u>Amount Expended in the 2017-18 Fiscal Year</u>
British Petroleum:		
Agreement No. Not Applicable	\$ 0.00	\$ 2,072,306

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