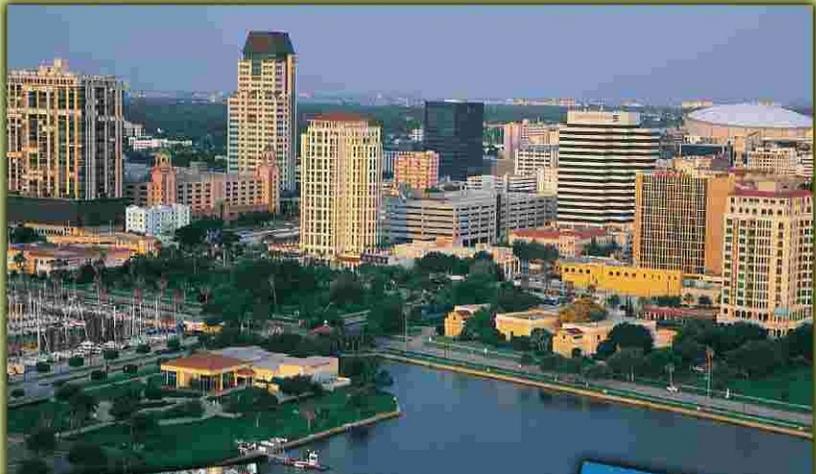


CITY OF ST. PETERSBURG, FLORIDA

Comprehensive Annual Financial Report



Fiscal Year 2005

October 1, 2004 - September 30, 2005

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

CITY OF ST. PETERSBURG, FLORIDA

for the

**Fiscal Year Ended
September 30, 2005**

Prepared by Department of Finance

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

MAYOR

Rick Baker

COUNCIL MEMBERS

**DISTRICT 1 Richard D. Kriseman, Esq.
DISTRICT 2 John Bryan
DISTRICT 3 David W. "Bill" Foster, Esq., Chair
DISTRICT 4 Virginia Littrell**

**DISTRICT 5 James S. Bennett, Vice Chair
DISTRICT 6 Earnest L. Williams
DISTRICT 7 Rene Flowers
DISTRICT 8 John J. "Jay" Lasita**

OFFICIAL APPOINTED BY CITY COUNCIL

**CITY ATTORNEY
John C. Wolfe, Esq.**

OFFICIAL APPOINTED BY MAYOR - APPROVED BY CITY COUNCIL

**FIRST DEPUTY MAYOR/CITY ADMINISTRATOR
Tish Elston**

**FINANCE DEPARTMENT STAFF
APPOINTED BY MAYOR**

**INTERNAL SERVICES ADMINISTRATOR
Michael J. Connors**

**DIRECTOR OF FINANCE
Steven K. Smith, CPA**

**ASSISTANT FINANCE DIRECTOR/TREASURER
Jeffrey G. Spies, CPA, CMFA**

**CONTROLLER
Nelson E. Dort, CPA, CGFO**

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I. INTRODUCTORY SECTION

- List of Principal Officials
- Letter of Transmittal
- City of St. Petersburg Organization Chart

List of Principal Officials

Elected Officials

Mayor	Rick Baker
Council member, District 1	Richard D. Kriseman, Esq.
Council member, District 2	John Bryan
Council member, District 3	David W. (Bill) Foster Esq., Chair
Council member, District 4	Virginia Littrell
Council member, District 5	James S. Bennett, Vice-Chair
Council member, District 6	Earnest Williams
Council member, District 7	Rene Flowers
Council member, District 8	John J. Lasita

Officials Appointed or Approved by City Council

City Attorney	John C. Wolfe, Esq.
First Deputy Mayor/City Administrator	Tish Elston

Selected Officials Appointed by Mayor

Deputy Mayor/Midtown Economic Development	Goliath J. Davis III
Deputy Mayor/Neighborhood Services	Michael R. Dove
Administrator, City Development	Rick Mussett
Administrator, Internal Services	Michael J. Connors
Administrator, Leisure Services	D. Lee Metzger
Chief of Police	Charles "Chuck" Harmon
Fire Chief	James K. Callahan
Chief Information Officer	Muslim A. Gadiwalla
Policy Administrator	Helen Levine
Finance Director	Steven K. Smith, CPA
Budget Director	Beckye Simpson
City Auditor	Bradley H. Scott, CPA, CIA, CFE
Assistant Finance Director/Treasurer	Jeffrey G. Spies, CPA, CMFA
Controller	Nelson E. Dort, CPA, CGFO



CITY OF ST. PETERSBURG

July 14, 2006

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 for the fiscal year ended September 30, 2005. The report fulfills the requirements set forth in the City Charter Section 4.05; Florida Statutes, Chapter 166.241; and the Rules of the Florida Auditor General, Chapter 10.550. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the American Institute of Certified Public Accountants, 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 KPMG LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2005, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended September 30, 2005, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal 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 legal requirements involving the administration of federal awards.

The CAFR is divided into three parts. The Introductory Section provides a summary of the contents of the entire report and general information about the reporting entity. The Financial Section includes the Auditor's Opinion, Management's Discussion and Analysis (MD&A), the Basic Financial Statements, Notes to Financial Statements, Required Supplementary Information, and the Combining and Individual Fund Financial Statements and Schedules.

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GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Other financial information, including budget and other schedules, is also provided to supplement required financial data. The Statistical Section includes schedules that provide historic, social, economic and financial trend data that offer an overview of the City's fiscal situation.

Profile of the Government

The City of St. Petersburg, initially incorporated as a town in 1893 with a second incorporation as a city in 1903, is the largest City in Pinellas County and is the fourth most populous City in Florida. It is located on the west coast of Florida, approximately 200 miles northwest of Miami, 180 miles southwest of Jacksonville, and 20 miles southwest of Tampa. The City of St. Petersburg currently occupies 62 square miles and serves a population of 253,902. The City of St. Petersburg is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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

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

The City also maintains budgetary controls. The objective of these is to ensure compliance with legal provisions contained in the annual appropriated budget approved by the City Council. Budgets are controlled at the departmental level and total expenditures may not legally exceed appropriations for each budgeted fund. City Council may increase departmental appropriations through council resolutions during the fiscal year. Encumbrance accounting is utilized in governmental funds in order to reserve the encumbered portion of the appropriation. Encumbrances outstanding at year end are reported as reservations of fund balance and are re-appropriated as part of the following year's budget. Budget to actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, this comparison is presented on pages D-6 and D-7 as part of the basic financial statements for the governmental funds. For non-major special revenue funds, other than the general fund and major special revenue funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page F-17.

Local Economy

St. Petersburg is part of an 11 county area market, largest in the State of Florida and, the nation's 12th largest. It is the second fastest growing market in the United States. The St. Petersburg region leads the state in aggregate consumer expenditures and is rated number one in food, and general merchandise store sales. The region is also rated the number one employment market in the State of Florida and number eight in the United States for small businesses. The St. Petersburg area is the only metro area in Florida designated a "5-Star Business Opportunity Metro", a coveted honor that affirms the area's position as a destination of choice for business growth and expansion.

The economy of St. Petersburg is known for its light industry, tourism, service industry, health care and manufacturing. The major employment clusters in the city are marine science, manufacturing, financial services, information technology, medical technology and service industry.

The City of St Petersburg benefits from a growing economic environment. This growth can be measured by the Pinellas County Property Appraiser's annual determination of real property taxable assessed value and land use by taxable authority. The City's real property taxable value has increased by 88% over the last ten years and 56% over the past 5 years.

<u>Fiscal Year</u>	<u>Single Family & Mobile Homes</u>	<u>Multi-Family & Condominiums</u>	<u>Commercial</u>	<u>Other</u>	<u>Total Taxable Value</u>
2002	\$ 3,965	\$ 1,714	\$ 2,074	\$293	\$ 8,046
2003	4,386	1,971	2,148	290	8,795
2004	4,908	2,283	2,283	174	9,648
2005	5,464	2,609	2,534	181	10,788
2006	6,368	3,080	2,928	210	12,586

The amounts above are in millions.

As of October 2005, Pinellas County and the City of St. Petersburg had a population of 947,744 and 253,902, respectively, compared with 943,640 and 253,010 the year before based on University of Florida Bureau of Economic & Business Research (BEBR) estimates.

Pinellas County and the City of St Petersburg had 482,529 and 133,047, respectively, of civilians in the labor force compared to 478,069 and 133,340, respectively, the year before. Employment within Pinellas County and the City of St. Petersburg differs slightly from civilians in the labor force, with employment at 464,779 and 128,301 for the current year, respectively, and 456,924 and 126,562 for prior year. Unemployment stood at 3.7 percent compared to 3.9 percent a year earlier.

Cost of City Services

A comparison of city population in relationship to city employees and cost of city services provides insight into the City's cost containment efforts over the last five years.

<u>Fiscal Year</u>	<u>City Population</u>	<u>Fulltime City Employment</u>	<u>Governmental Revenues</u>	<u>Other Financing Sources</u>	<u>Total Revenues OFS</u>	<u>Governmental Expenditures</u>
2001	248,242	3,043	\$ 224,819	\$ 9,564	\$234,383	\$ 234,058
2002	249,068	3,063	241,772	11,796	253,568	265,186
2003	251,812	3,000	236,796	18,873	255,669	252,416
2004	253,010	3,006	252,157	12,805	264,962	264,735
2005	253,902	2,993	269,136	11,667	280,686	287,395

Long-term Financial Planning

On May 10, 2005, the City entered into a fifteen-year loan agreement with the Sunshine State Governmental Financing Commission (SSGFC). The \$16 million loan is from a variable rate commercial paper pool program with interest only until 2013. The loan proceeds are being used for renovation and construction on the City's Mahaffey Theater located on the downtown waterfront. On December 15, 2005 the loan was increased by an additional \$1.5 million for a total of \$17.5 million towards total construction funding needs of \$22.35 million. This project is one of five projects approved by the City and Pinellas County to be funded by an extension of the intown redevelopment tax increment financing (T.I.F.) district from 2005 through 2035. Total project costs approved by both the City and Pinellas County are \$97.354 million. The City's intensions are to payoff the variable rate loans with a fixed rate T.I.F. bond issue in 2012, and fund the remaining projects at that time. However there is the possibility that additional SSGFC loans will be required prior to 2012 and these loans will also be scheduled for payoff in 2012.

On December 15, 2005 the City issued \$50.42 million of Public Utility Revenue Bonds, Series 2005. Proceeds will be used to fund Water, Wastewater and Reclaimed Water projects. The bond issue had a true interest cost of 4.7% and a final maturity of 2035.

Cash Management

The primary objective of the City's investment program is the preservation of capital. Investment transactions are conducted in such a manner as to avoid loss, whether by security default or by erosion of market value.

Accordingly, the City's deposits were either insured by federal depository insurance and/or collateralized pursuant to Florida Statutes. The City has the authority to invest surplus funds in securities of the U. S. government and its agencies and instrumentalities, certificates of deposit, collateralized mortgage obligations, AA rated Bankers acceptances, prime commercial paper, the pooled investment account with the State Board of Administration, A rated corporate bonds and notes, guaranteed investment contracts, taxable & tax exempt governmental bonds, and institutional money market funds. Quarterly, the City's Investment Committee meets to review the investments of the prior quarter and make recommendations. City Council receives quarterly investment reports.

All securities are purchased on a delivery-versus-pay basis, which enables the City to take possession of securities concurrent with the release of funds. See the footnote disclosure on pages D-24 through D-29 regarding invested balances at 9/30/05.

Pension Trust Funds

The City of St Petersburg maintains three defined benefit pension plans (Police, Fire & General Employees) for its current employees. Each plan has a separate Board of Trustees that reports to the City Council. Plan administration is the responsibility of the finance department and investment management is the responsibility of the boards. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans. Benefits vary depending on the particular membership in the plans.

The City administration and the Pension Boards closely monitor the future costs of both benefit improvement and changes in retirement trends of employees. Recommendations of the actuaries and fund performance monitors are carefully considered and the City takes appropriate measures to ensure the actuarial soundness of the pension plans. The City also contributes to a defined contribution plan for management & professional staff through the International City Managers' Association.

Risk Management

The Finance Department is responsible for the administration of the City's self-insurance programs that include fleet liability, workers' compensation and general liability.

The Finance Department also purchases and administers insurance for the City's properties, law enforcement and public officials' liability, fidelity, excess workers' compensation and several other applicable policies. The philosophy of risk management is to take a proactive approach to prevent losses due to personal injuries and property damage by establishing communications with all departments within the City regarding accident prevention.

The City of St Petersburg provides post-retirement healthcare benefits for retirees and their dependents. As of the end of the current fiscal year there were 1019 retired employees receiving these benefits, which are financed on a pay-as-you-go basis. GAAP currently does not require governments to report a liability in the financial statements in connection with the employer's obligation to provide these benefits. The Governmental Accounting Standards Board (GASB) has issued statement number 45 that requires the City of St Petersburg to report a liability for these benefits beginning in fiscal year 2008.

Additional information on the City of St Petersburg pension arrangements and post employment benefits can be found in the notes to the financial statements beginning on page D-50.

Major Initiatives

St. Petersburg's Mayor Rick Baker was recently re-elected to a four-year term by an overwhelming margin. The five principal goals for his administration remain: supporting neighborhoods, promoting economic opportunity (with a special emphasis on Midtown), demanding better schools, increasing personal and public safety, and improving overall city operations.

Midtown is a 5.5 square mile area of central and South St. Petersburg. The city has developed a Midtown Plan to provide development to help stimulate jobs for residents, improve infrastructure, and support entrepreneurs and small businesses. A 16-acre site was assembled in the Dome Industrial Park and will be developed as a U.S. Job Corp Training Center. The site is also the home to more than 10 new businesses. More than 2,500 clients have been helped at the St. Petersburg Business Assistance Center. In 2006, Tangerine Plaza opened, providing a new grocery and retail shopping center in the heart of the neighborhood. Historic structures have been preserved, including the largest clay artistic center in the United States in a former railroad station, a new community health care facility in the former Mercy Hospital, a Boys and Girls Club performing arts center in the preserved Royal Theatre and the recently renovated Manhattan Casino, a former performance venue for major African American performances. Also in Midtown, the Wildwood Recreation Center was completed at a cost of \$4.5 million. This new 32,000 square foot recreation/community center contains two college-sized air conditioned basketball gymnasiums, program rooms, meeting rooms, and a 4,500 square foot wing for the Pinellas Youth Arts Corps. Nearby, the new Davis-Bradley Drug Treatment Center opened, a 64,000 square foot residential drug treatment program for Department of Corrections' offenders who are referred through the Pinellas County Drug Court.

In his efforts to support the public education system, Mayor Rick Baker unveiled a new program, "Mayor's Mentors and More". This innovative approach to assisting schools includes pairing public schools with over 75 corporate partners who offer financial, volunteer and technical assistance; raising funds to provide 500 middle school students in need with college scholarships; funding over 110 scholarships for vocational and technical training for adults; encouraging a city-wide mentoring effort through city employees and community volunteers, and offering teachers up to \$18,000 interest free assistance in the form of a forgivable loan to buy a home in St. Petersburg, of which 28 recipients have benefited from to date. Currently 7 of the City's schools (4 elementary, 2 middle, & 1 high school) have received state funding and corporate sponsors through the Partnership to Advance School Success (PASS) program.

In keeping with the city's goal to enhance personal and public safety, the city's crime rate is 20 percent lower today than it was 10 years ago, and there are currently more officers on the city's streets than at any time in the city's history. Responding to potential terrorism threats, the city has worked with government agencies at all levels and created its own Homeland Security Task Force to ensure an effective City response to such threats.

The City has undertaken a number of infrastructure improvement projects in the Downtown waterfront area to alleviate street flooding, enhance our waterfront parks, and rehabilitate roadways and bridges. A master storm drainage project has been completed in the residential area north of downtown to relieve street flooding which can occur when heavy rain coincides with high tides.

Awards and Acknowledgments

In September 2005, the City was named one of 100 Best Communities for Young People. One of the inaugural group of winners, St. Petersburg was selected from a field of 1,200 communities by America's Promise - The Alliance for Youth, for providing a rich quality of life for youth in our community.

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, 2003. This was the 18th consecutive year that the City of St Petersburg has achieved this prestigious award. 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.

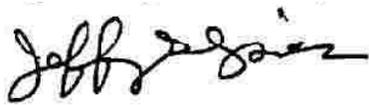
A Certificate of Achievement is valid for a period of one year only. The fiscal year ended September 30, 2004 CAFR, having met the Certificate of Achievement Program's requirements, was filed well beyond the extension granted the City and therefore did not receive the Certificate of Achievement. We believe that our current comprehensive Annual Financial Report meets the Certificate of Achievement Program's requirements. The City received an extension for filing the fiscal year September 30, 2005 CAFR to July 31, 2006.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2005. This was the sixth consecutive year that the City has received this prestigious award. 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 also.

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 my 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.

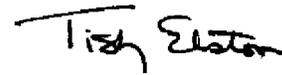
Respectfully submitted,



Jeffrey G. Spies, CPA
Acting Finance Director

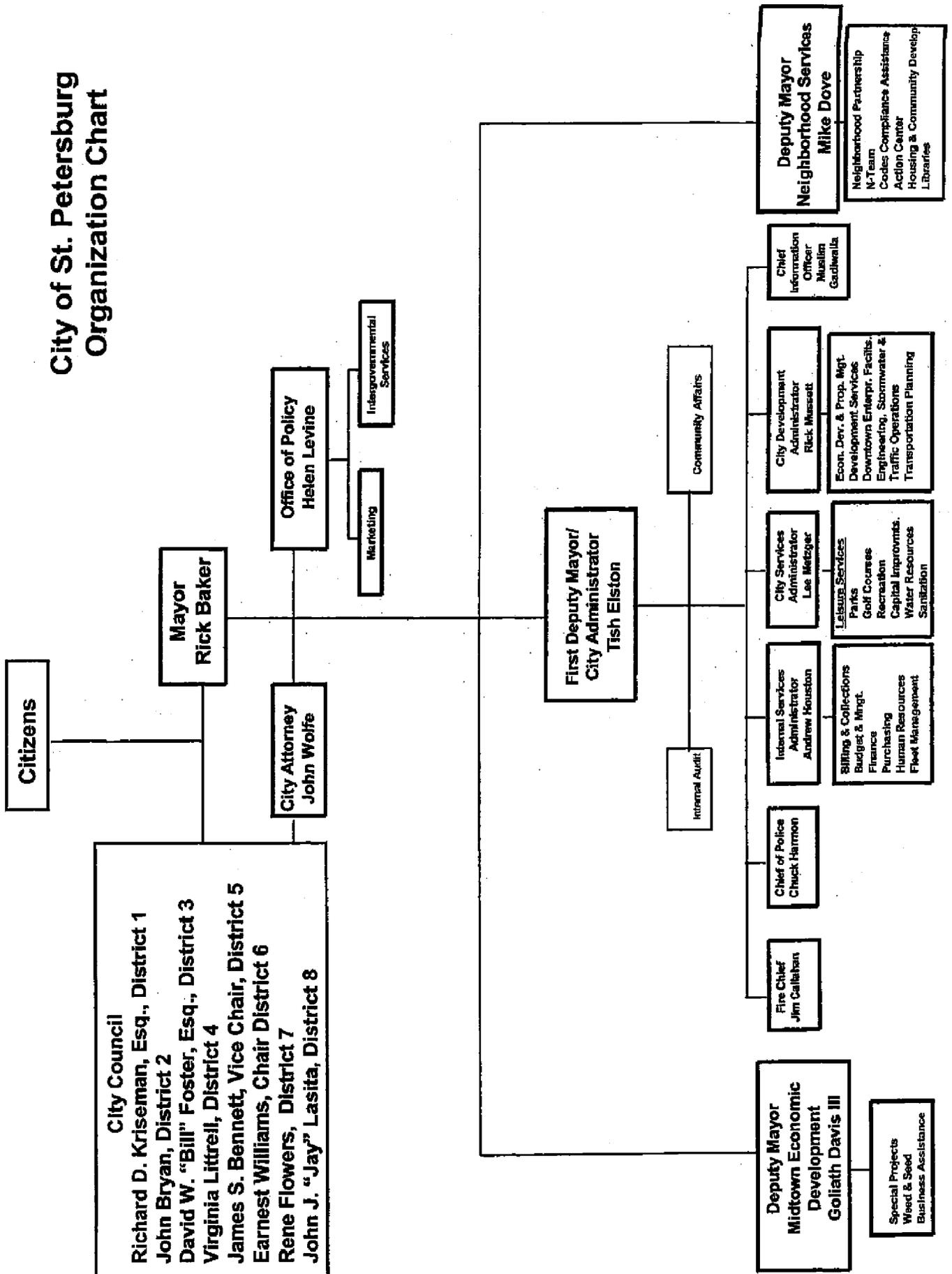


Michael Connors
Internal Services Administrator



Patricia "Tish" Elston
Deputy Mayor

City of St. Petersburg Organization Chart



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

II. FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Independent Auditors' Report

The Honorable Mayor and Members of City Council
City of St. Petersburg, Florida:

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, 2005, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of St. Petersburg, Florida's management. 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 of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes 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, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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 of St. Petersburg, Florida, as of September 30, 2005, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general, utility tax, local option tax, excise tax and grants funds for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 14, 2006 on our consideration of the City of St. Petersburg, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



The Management's Discussion and Analysis and the schedules of funding progress and contributions for employer and other contributing entity for the City's pension plans on pages B-3 through B-13 and E-1 through E-3, are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of St. Petersburg, Florida's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal, state, and other governmental agencies awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and Chapter 10.550, *Rules of the Auditor General*, and is not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules, and the schedule of expenditures of federal, state, and other governmental agencies awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

July 14, 2006
Certified Public Accountants

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As Finance Director of the City of St. Petersburg (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, 2005. The information presented here should be considered in conjunction with the letter of transmittal and the financial statements.

FINANCIAL HIGHLIGHTS

- The City's assets exceed its liabilities at the close of this fiscal year by \$1.129 billion (net assets) which is an increase over the prior year of \$1.101 billion. Of the net asset amount, \$298.9 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental activities revenue totaled \$289.9 million, or a 5.5% increase over the prior year and expense totaled \$260.9 million, or a .8% decrease over the prior year. The results of these activities produced an increase in governmental net assets of \$29 million.
- The business-type activities revenue totaled \$147.6 million, or a 6.2% increase over the prior year and expenses totaled \$137.1 million, or a 4.8% increase over last year and transfers to governmental activities totaled \$11.6 million or 35% increase over last year. The results of these activities produced a decrease in business-type net assets of \$1.1 million.
- As of the close of the fiscal year, the City of St. Petersburg's governmental activities reported combined ending net assets of \$572.6 million, an increase of \$29.0 million in comparison with the prior year. Of the \$572.5 million in net assets, \$125.0 million was unrestricted.

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 themselves.

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 assets presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. 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 and culture. The business-type activities of the City include a Water and Wastewater Utility, Stormwater Utility, Sanitation, Airport, Port, Marina, Golf Courses, and the Jamestown Housing Complex.

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 units and is presented separately in the financial statements.

The government-wide financial statements can be found on pages C-1 and C-2 of this report.

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 forty 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 Utility Tax Fund, the Local Option Tax Fund, Excise Tax Fund, Local Option Sales Surtax 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 F-1 of the report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement, page D-6, has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages D-1 through D-7 of this report.

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, Print Shop, Information and Communications Services, Billing and Collection Services, Consolidated Inventory, and Insurance Services. These services predominantly benefit governmental rather than business-type functions so they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water and Wastewater Utility, Stormwater Utility, and Sanitation 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 D-8 through D-11.

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 D-12 and D-13.

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 D-14 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information related to funding pension obligations. The required supplementary information can be found beginning on page E-1.

The 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 F-5 through F-39.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. As stated earlier, the City's assets exceeded the liabilities by \$1.129 billion at the close of fiscal year 2005, an increase of approximately \$28 million over fiscal year 2004.

The largest portion of the City's net assets, 67.9%, 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 investment in its 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.

The City's net assets for the past two fiscal years are summarized, in thousands, as follows:

	Governmental Activities		Net Assets Business - Type Activities		Total	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Current and other assets	\$ 255,766	\$ 246,286	\$197,765	\$224,446	\$ 453,531	\$ 470,732
Capital assets	<u>582,923</u>	<u>561,638</u>	<u>530,235</u>	<u>511,989</u>	<u>1,113,158</u>	<u>1,073,627</u>
Total assets	<u>838,689</u>	<u>807,924</u>	<u>728,000</u>	<u>736,435</u>	<u>1,566,689</u>	<u>1,544,359</u>
Long-term liabilities	212,586	235,162	154,915	160,107	367,501	395,269
Other liabilities	<u>53,534</u>	<u>29,303</u>	<u>16,600</u>	<u>18,708</u>	<u>70,134</u>	<u>48,011</u>
Total liabilities	<u>266,120</u>	<u>264,465</u>	<u>171,515</u>	<u>178,815</u>	<u>437,635</u>	<u>443,280</u>
Invested in capital assets, net of related debt	389,111	357,087	374,879	363,261	763,990	720,348
Restricted	58,418	57,334	6,514	30,947	64,932	88,281
Unrestricted	<u>125,040</u>	<u>129,038</u>	<u>175,092</u>	<u>163,412</u>	<u>300,132</u>	<u>292,450</u>
Total net assets	<u>\$ 572,569</u>	<u>\$ 543,459</u>	<u>\$556,485</u>	<u>\$557,620</u>	<u>\$1,129,054</u>	<u>\$1,101,079</u>

As depicted above, approximately 5.7% of the net assets of the City represents resources that are subject to external restriction on how they may be used. The remaining balance, or unrestricted net assets, may be used to meet the City's ongoing obligations to citizens and creditors.

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

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

Changes In Net Assets

Operations	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Revenues						
Program revenues:						
Charges for services	\$ 54,084	\$ 63,167	\$ 135,806	\$ 126,998	\$ 189,890	\$ 190,165
Operating grants and contributions	12,756	13,668	2,803	232	15,559	13,900
Capital grants and contributions	1,768	443	2,636	4,374	4,404	4,817
General revenues:						
Property Taxes	81,667	74,134	0	0	81,667	74,134
Other Taxes	114,513	106,932	0	0	114,513	106,932
Other	<u>13,577</u>	<u>7,992</u>	<u>6,317</u>	<u>7,399</u>	<u>19,894</u>	<u>15,391</u>
Total revenues	<u>278,365</u>	<u>266,336</u>	<u>147,562</u>	<u>139,003</u>	<u>425,927</u>	<u>405,339</u>
Program expenses:						
General Government	35,376	37,976	0	0	35,376	37,976
Community and Economic Development	23,753	34,300	0	0	23,753	34,300
Public Works	15,319	17,651	0	0	15,319	17,651
Public Safety - Police	79,184	72,308	0	0	79,184	72,308
Public Safety - Fire and EMS	41,362	36,887	0	0	41,362	36,887
Recreation and Culture	55,947	53,794	0	0	55,947	53,794
Interest on long term debt	9,935	10,051	0	0	9,935	10,051
Water and Wastewater	0	0	83,236	78,801	83,236	78,801
Stormwater	0	0	9,362	9,218	9,362	9,218
Sanitation	0	0	36,396	35,391	36,396	35,391
Airport	0	0	1,054	1,064	1,054	1,064
Port	0	0	1,193	946	1,193	946
Marina	0	0	1,629	1,433	1,639	1,433
Golf Courses	0	0	3,709	3,469	3,709	3,469
Jamestown Complex	<u>0</u>	<u>0</u>	<u>497</u>	<u>471</u>	<u>497</u>	<u>471</u>
Total expenses	<u>260,876</u>	<u>262,967</u>	<u>137,076</u>	<u>130,793</u>	<u>397,952</u>	<u>393,760</u>

Changes In Net Assets (Continued)

Operations	Governmental Activities		Business-Type Activities		Total	
	2005	2004	2005	2004	2005	2004
Change in net assets before transfers	\$ 17,489	\$ 3,369	\$ 10,486	\$ 8,197	\$ 27,975	\$ 11,566
Transfers	<u>11,621</u>	<u>8,609</u>	<u>(11,621)</u>	<u>(8,609)</u>	<u>0</u>	<u>0</u>
Increase (decrease) in net assets	<u>\$ 29,110</u>	<u>\$ 11,978</u>	<u>\$ (1,135)</u>	<u>(412)</u>	<u>\$ 27,975</u>	<u>\$ 11,566</u>
Ending net assets	<u>\$ 572,569</u>	<u>\$ 543,459</u>	<u>\$ 556,485</u>	<u>\$ 557,607</u>	<u>\$ 1,129,054</u>	<u>\$ 1,101,066</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S 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, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of fiscal year 2005, the City's governmental funds reported combined ending fund balances of \$159.7 million, a increase of \$9.9 million in comparison with the prior year. Governmental funds reserved \$16.0 million for commitments made in fiscal year 2005 that will not be incurred and paid for until fiscal year 2006. In addition to other items as noted on page D-2, \$13.7 million was reserved for debt service.

The General Fund, the chief operating fund of the City, had a fund balance at September 30, 2005, of \$31.9 million, of which \$665,195 was reserved for obligations which will be paid in fiscal year 2006 and \$244,730 was reserved for inventory, prepaid costs and deposits. The remainder of the fund balance or \$31.0 million was unreserved.

As a measure of the General Fund's liquidity, it is useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 16.6% of the total General Fund expenditures and the total fund balance represents 17.1%.

The General Fund deficiency of revenues and other sources over expenditures and other uses was \$.6 million equal to prior years deficiency of revenue and other sources over expenditures and other uses of \$.6 million. Some important financial highlights are as follows:

- Tax revenue increased by \$7.6 million primarily attributable to growth in assessed value.
- Disposition of property increased by \$.9 million due to sale of downtown redevelopment property.
- Transfers into the General Fund decreased by \$1 million and transfers out of the General Fund remained the same for a net transfer decrease of \$1 million.
- Operating expenditures increased by \$7.7 million due to salary increases, pension fund contribution increases, and medical insurance rate increases.

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

	Utility Tax		Local Option Tax		Excise Tax		Local Option Sales Surtax Improvement		Grants Fund	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues and other sources	\$34,809	\$33,858	\$26,610	\$24,275	\$22,230	\$21,235	\$27,941	\$25,478	\$5,145	\$4,539
Expenses and other uses	<u>34,338</u>	<u>34,079</u>	<u>25,620</u>	<u>24,291</u>	<u>21,874</u>	<u>23,421</u>	<u>33,165</u>	<u>24,743</u>	<u>5,108</u>	<u>4,720</u>
Increase (decrease) in Net Assets	<u>\$ 471</u>	<u>\$ (221)</u>	<u>\$ 990</u>	<u>\$ (16)</u>	<u>\$ 356</u>	<u>\$(2,186)</u>	<u>\$(5,224)</u>	<u>\$ 735</u>	<u>\$ 37</u>	<u>\$(181)</u>

Further detail regarding these major governmental funds can be found on pages D-1 thru D-4.

The reduction in the net assets of the Local Option Sales Surtax Improvements is due to an increase in capital expenditures of \$8.3 million over prior year.

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 D-8 through D-11. Detail on the non-major enterprise funds can be found on pages F-27 through F-29.

	Water and Wastewater		Stormwater		Sanitation	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenues and other sources	\$ 93,649	\$ 90,743	\$ 13,902	\$ 12,678	\$ 32,419	\$ 31,551
Expenditures and other uses	<u>90,921</u>	<u>87,594</u>	<u>10,689</u>	<u>10,602</u>	<u>38,794</u>	<u>38,131</u>
Increase(decrease) in Net Assets	<u>\$ 2,728</u>	<u>\$ 3,149</u>	<u>\$ 3,213</u>	<u>\$ 2,076</u>	<u>\$ (6,375)</u>	<u>\$ (6,580)</u>

The internal service funds are, for the most part, supported through charges to other funds. The internal service funds are reported on pages F-31 through F-33.

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budgeted expenditures and uses were equal to the budgeted revenues and other sources. The final approved budget reflected an increase in the expenditure of \$4 million due mainly to additional appropriations for grants received totaling \$1.4 million, \$1.4 million in increases in pension and medical costs for police and fire, and \$1.2 million in property insurance and medical costs for other city departments. These increases in expenditures were offset by increases in revenues. This resulted in expenditures and other uses exceeding revenues and other sources by \$1 million. Additional budget to actual information on the City's general fund is on page D-6.

CAPITAL ASSETS

The City has invested \$1.113 billion in capital assets (net of depreciation). Approximately 52.4% 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

	Governmental Activities		Business-Type Activities		Total	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Land	\$ 138,577	\$ 134,305	\$ 12,319	\$ 12,319	\$ 150,896	\$ 146,624
Buildings & Systems	210,077	214,535	9,656	10,145	219,733	224,680
Improvements & Infrastructure	125,428	121,736	19,689	8,786	145,117	130,522
Machinery & Equipment	40,242	41,595	9,039	7,810	49,281	49,405
Utility Systems	0	0	430,113	395,676	430,113	368,966
Construction In Progress	<u>68,599</u>	<u>49,467</u>	<u>49,419</u>	<u>77,253</u>	<u>118,018</u>	<u>153,430</u>
Totals	<u>\$ 582,923</u>	<u>\$ 561,638</u>	<u>\$ 530,235</u>	<u>\$ 511,989</u>	<u>\$1,113,158</u>	<u>\$1,073,627</u>

Additional information on the City's capital assets can be found in Note 8 beginning on page D-34.

LONG-TERM OBLIGATIONS

For fiscal year ended September 30, 2005, the City had total debt outstanding of \$363 million (net of unamortized premium, discount and deferral loss on refundings). Of this amount, \$50.6 million of note debt and \$7.4 million of bond debt is backed by a covenant pledge to budget and appropriate from non-ad valorem revenue sources. The remaining \$30.5 million in bonded and note debt is secured solely by specified revenue sources.

	Governmental Activities		Business-Type Activities		Total	
	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>	<u>2005</u>	<u>2004</u>
Revenue Bonds	\$ 150,679	\$ 163,883	\$ 132,417	\$ 132,322	\$ 283,096	\$ 296,205
Revenue Notes	0	0	21,820	14,960	21,820	14,960
Covenant Bonds	4,625	4,855	2,865	3,400	7,490	8,255
Covenant Notes	<u>50,575</u>	<u>38,318</u>	<u>0</u>	<u>0</u>	<u>50,575</u>	<u>38,318</u>
	<u>\$ 205,879</u>	<u>\$ 207,056</u>	<u>\$ 157,102</u>	<u>\$ 150,682</u>	<u>\$ 362,981</u>	<u>\$ 357,738</u>

The City of St. Petersburg's total debt increased by \$6.2 million (1.4%) during the current fiscal year due mainly to \$23.2 million in annual principal payments, an increase of \$16 million in new bonds in governmental activities, an increase of \$11 million in business-type activities notes, an increase of \$.5 million in Hud Section 108 Loans, an increase of \$1.2 million in capital appreciation bonds, and increases in net unamortized premiums, discounts, and deferred accounts for bonds and notes of \$.8 million.

During the fiscal year ended September 30, 2005, the City closed on one debt issue and four additional State of Florida notes:

- On May 10, 2005, the City closed on a Sunshine State Governmental Financing Commission note in the amount of \$16 million. Note proceeds will be used for the renovation of the City's Performing Arts Center. The note was issued in a commercial paper variable rate tax exempt mode.
- During 2005, the City closed on four additional State of Florida revolving notes, shown as pending in 2004. The notes increased by \$11 million from their pending status until their closing in 2005. These loans have interest rates from 2.96% to 3.05% and mature between 2014 to 2024.

The City maintains a rating of A2 on all governmental debt from Moody's and currently has an AAa rating on all Water and Wastewater Revenue Bonds from Moody's and Fitch rating agencies.

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 footnote 12 - Long-Term Debt on pages D-39 through D-45.

NEXT YEARS BUDGET AND RATES

The adopted fiscal year 2006 budget was based on a millage rate of 6.95 mills, a reduction of .14 mills from fiscal year 2005. This was possible primarily due to continuing appreciation of real estate in the city and the corresponding increase in ad valorem tax revenue. A number of other fees and charges for services were also adjusted to reflect the cost of the services. Management continues to review fees, rates, and other charges to insure that costs are distributed equitably to citizens and users of services and to insure that the city remains in good financial health.

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 for all of those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Director, P.O. Box 2842, St. Petersburg, Florida 33731-2842, or telephone (727) 893-7515. This report will be available on the City's web site at www.stpete.org.

BASIC FINANCIAL STATEMENTS

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

STATEMENT OF NET ASSETS
September 30, 2005

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
ASSETS				
Cash and Cash Equivalents	\$ 95,240,954	\$ 13,664,680	\$ 108,905,634	\$ 19,061
Investments	104,553,778	126,863,185	231,416,963	0
Trustee Accounts				
Cash and Cash Equivalents	677,425	0	677,425	0
Investments	1,223,842	0	1,223,842	0
Receivables - Net of Allowance for Uncollectibles	19,319,318	14,086,248	33,405,566	0
Internal Balances	2,560,332	(2,560,332)	0	0
Due from Other Governmental Agencies	15,198,606	1,372,489	16,571,095	0
Inventories	1,581,351	1,198,291	2,779,642	0
Prepays and Deposits	1,922,570	4,873	1,927,443	0
Contract Receivable from Other Governmental Agency	0	22,103,905	22,103,905	0
Other Assets	1,421,322	4,222,946	5,644,268	0
Restricted Assets				
Temporarily Restricted				
Cash and Cash Equivalents	12,066,971	16,570,806	28,637,777	0
Permanently Restricted				
Investments - Trustee Account	0	238,045	238,045	0
Capital Assets, Not Depreciable				
Land	138,577,365	12,318,292	150,895,657	0
Construction in progress	68,597,874	49,419,023	118,016,897	0
Capital Assets, Depreciable, Net				
Buildings and systems	210,077,272	9,655,685	219,732,957	0
Improvements other than buildings	125,428,275	19,689,186	145,117,461	0
Machinery and equipment	40,241,826	9,039,467	49,281,293	0
Utility Systems	0	430,113,140	430,113,140	0
TOTAL ASSETS	<u>838,689,081</u>	<u>727,999,929</u>	<u>1,566,689,010</u>	<u>19,061</u>
LIABILITIES				
Accounts Payable and Other Current Liabilities	15,990,487	7,385,090	23,375,577	0
Accrued Interest Payable	3,140,317	0	3,140,317	0
Due to Other Governmental Agencies	1,158,757	173,966	1,332,723	0
Unearned Revenue	1,904,319	0	1,904,319	0
Deposits	7,106,749	678,361	7,785,110	0
Liabilities Payable from Restricted Assets				
Revenue Bonds Payable Due within One Year	14,295,000	4,308,000	18,603,000	0
Accrued Interest	0	3,198,326	3,198,326	0
Noncurrent Liabilities				
Due within One Year	9,938,179	856,561	10,794,740	0
Due more than One Year	212,585,912	154,915,046	367,500,958	0
TOTAL LIABILITIES	<u>266,119,720</u>	<u>171,515,350</u>	<u>437,635,070</u>	<u>0</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	389,110,832	374,879,336	763,990,168	0
Restricted for:				
Expendable				
Public Works - Transportation Projects	17,542,145	0	17,542,145	0
Police Programs	317,393	0	317,393	0
Grant Funded Programs	6,471,790	0	6,471,790	0
Debt Service	0	1,038,721	1,038,721	0
Capital Projects	2,751,934	5,475,772	8,227,706	0
Local Option Sales Surtax	30,897,325	0	30,897,325	0
Nonexpendable				
Culture and Recreation	438,205	0	438,205	0
Unrestricted	125,039,737	175,090,750	300,130,487	19,061
TOTAL NET ASSETS	<u>\$ 572,569,361</u>	<u>\$ 556,484,579</u>	<u>\$ 1,129,053,940</u>	<u>\$ 19,061</u>

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2005

Function/Programs Activities	EXPENSES	PROGRAM REVENUES	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS
Primary Government			
General Government	\$ 35,376,425	\$ 16,067,460	\$ 247,096
Community and Economic Development	23,753,079	7,121,735	6,318,610
Public Safety			
Police	79,183,547	3,080,544	709,392
Fire and EMS	41,361,870	11,885,366	121,090
Public Works	15,319,318	4,659,403	0
Recreation and Culture	55,947,069	11,269,812	5,359,433
Interest on Long-Term Debt	9,934,466	0	0
Total Governmental Activities	<u>260,875,774</u>	<u>54,084,320</u>	<u>12,755,621</u>
Business- type Activities			
Water and Waste Water Utility	83,236,468	86,836,114	1,595,194
Stormwater Utility	9,362,330	10,454,575	625,349
Sanitation	36,395,779	30,921,254	354,403
Airport	1,053,778	684,057	148,132
Port	1,193,374	731,059	(83,772)
Marina	1,629,348	2,083,301	23,454
Golf Course	3,708,876	3,628,771	140,396
Jamestown Complex	496,480	466,883	0
Total Business-type Activities	<u>137,076,433</u>	<u>135,806,014</u>	<u>2,803,156</u>
Total Primary Government	<u>\$ 397,952,207</u>	<u>\$ 189,890,334</u>	<u>\$ 15,558,777</u>
Component Unit			
St. Petersburg Health Facilities Authority	<u>\$ 175</u>	<u>\$ 6,500</u>	<u>0</u>

General Revenues
Taxes
 Property Tax, Levied for general purposes
 Utility Tax
 Sales Tax - County
 Sales Tax
 Franchise Tax
 State Tax Revenue Sharing
 Tourist Development Tax
 Occupational Tax
 Gasoline Tax
 Tax Increment
 Miscellaneous Taxes
Earnings on unrestricted investments
Gain (Loss) on sale of capital assets
Miscellaneous income
Transfers
 Total General Revenues and Transfers
Change In Net Assets

Net Assets - Beginning
Net Assets - Ending

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

NET REVENUES (EXPENSES) AND
CHANGES IN NET ASSETS
PRIMARY GOVERNMENT

CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
\$ 1,731	\$ (19,060,138)	\$ 0	\$ (19,060,138)	\$ 0
887,179	(9,425,555)	0	(9,425,555)	0
0	(75,393,611)	0	(75,393,611)	0
0	(29,355,414)	0	(29,355,414)	0
571,911	(10,088,004)	0	(10,088,004)	0
307,019	(39,010,805)	0	(39,010,805)	0
0	(9,934,466)	0	(9,934,466)	0
<u>1,767,840</u>	<u>(192,267,993)</u>	<u>0</u>	<u>(192,267,993)</u>	<u>0</u>
79,913	0	5,274,753	5,274,753	0
2,154,939	0	3,872,533	3,872,533	0
0	0	(5,120,122)	(5,120,122)	0
39,839	0	(181,750)	(181,750)	0
360,828	0	(185,259)	(185,259)	0
0	0	477,407	477,407	0
0	0	60,291	60,291	0
0	0	(29,597)	(29,597)	0
<u>2,635,519</u>	<u>0</u>	<u>4,168,256</u>	<u>4,168,256</u>	<u>0</u>
<u>\$ 4,403,359</u>	<u>(192,267,993)</u>	<u>4,168,256</u>	<u>(188,099,737)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,325</u>
	81,667,102	0	81,667,102	0
	34,812,250	0	34,812,250	0
	24,256,313	0	24,256,313	0
	16,585,300	0	16,585,300	0
	16,411,585	0	16,411,585	0
	9,126,466	0	9,126,466	0
	4,511,048	0	4,511,048	0
	2,949,360	0	2,949,360	0
	2,582,145	0	2,582,145	0
	2,938,052	0	2,938,052	0
	340,379	0	340,379	0
	6,227,164	5,242,096	11,469,260	0
	3,081,430	537,138	3,618,568	0
	4,268,918	537,331	4,806,249	0
	11,620,581	(11,620,581)	0	0
	<u>221,378,093</u>	<u>(5,304,016)</u>	<u>216,074,077</u>	<u>0</u>
	29,110,100	(1,135,760)	27,974,340	6,325
	<u>543,459,261</u>	<u>557,620,339</u>	<u>1,101,079,600</u>	<u>12,736</u>
	<u>\$ 572,569,361</u>	<u>\$ 556,484,579</u>	<u>\$ 1,129,053,940</u>	<u>\$ 19,061</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

BALANCE SHEET
 GOVERNMENTAL FUNDS
 SEPTEMBER 30, 2005

	<u>GENERAL</u>	<u>UTILITY TAX</u>	<u>LOCAL OPTION TAX</u>
ASSETS			
Cash and Cash Equivalents	\$ 17,134,290	\$ 0	\$ 54,697
Investments	17,943,387	0	0
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Investments	0	0	0
Receivables			
Accounts	1,001,977	167,238	0
Taxes	0	4,332,846	0
Accrued Interest	192,895	0	0
Notes	3,117,845	0	0
Assessments	0	0	0
Due from Other Funds	610,000	0	0
Due for Other Governmental Agencies			
Grants and Cost Reimbursement	1,732,856	0	0
State of Florida - Shared Revenue	0	0	0
Pinellas County - Shared Revenue	0	0	6,354,219
Pinellas County - Services	162,289	0	0
Pinellas County - Fines	99,355	0	0
Inventory	230,482	0	0
Deposits			
Prepaid Costs and Deposits	14,248	0	0
Restricted Assets			
Cash and Cash Equivalents	<u>0</u>	<u>0</u>	<u>0</u>
 TOTAL ASSETS	 <u><u>\$ 42,239,624</u></u>	 <u><u>\$ 4,500,084</u></u>	 <u><u>\$ 6,408,916</u></u>

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

<u>EXCISE TAX</u>	<u>LOCAL OPTION SALES SURTAX IMPROVEMENT</u>	<u>GRANTS</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 683,798	\$ 7,843,204	\$ 382,590	\$ 36,474,581	\$ 62,573,160
0	24,893,917	0	29,446,335	72,283,639
0	0	0	677,425	677,425
0	0	0	1,223,842	1,223,842
0	0	0	528,478	1,697,693
0	0	0	1,821,375	6,154,221
0	263,667	0	413,345	869,907
0	0	3,531,743	1,802,680	8,452,268
0	0	0	545,220	545,220
0	0	0	0	610,000
0	687,293	715,219	1,817,938	4,953,306
2,873,210	0	0	0	2,873,210
0	0	0	0	6,354,219
0	0	0	749,937	912,226
0	0	0	5,684	105,039
0	0	0	34,343	264,825
0	0	0	255,940	270,188
<u>0</u>	<u>0</u>	<u>0</u>	<u>12,066,971</u>	<u>12,066,971</u>
<u>\$ 3,557,008</u>	<u>\$ 33,688,081</u>	<u>\$ 4,629,552</u>	<u>\$ 87,864,094</u>	<u>\$ 182,887,359</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2005

	<u>GENERAL</u>	<u>UTILITY TAX</u>	<u>LOCAL OPTION TAX</u>	<u>EXCISE TAX</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 1,722,229	\$ 0	\$ 0	\$ 0
Accrued Salaries	2,766,736	0	0	0
Other Accrued Liabilities	0	0	0	0
Retainage on Contracts	64,978	0	0	0
Due to Other Governmental Agencies	15,936	0	0	0
Due to Other Funds	0	0	0	0
Deposits				
Escrow	61,859	0	0	0
Other	742,077	0	0	0
Deferred revenues				
Notes Receivable	3,117,845	0	0	0
Assessments Receivable	0	0	0	0
Other	1,869,649	0	0	0
	<u>10,361,309</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	10,361,309	0	0	0
FUND BALANCES				
Reserved for:				
Encumbrances	665,195	0	0	0
Inventories	230,482	0	0	0
Debt Service	0	0	0	0
Capital Improvements	0	0	0	0
Library	0	0	0	0
Palm Arboretum	0	0	0	0
Fire Rescue and EMS Awards	0	0	0	0
Prepaid Costs and Deposits	14,248	0	0	0
Unreserved:				
General Fund				
Designated for Vested Accrued Leave	6,000,000	0	0	0
Designated for Preservation Projects	858,631	0	0	0
Designated for Subsequent Year Appropriations	3,000,000	0	0	0
Designated for Economic Stability	11,070,886	0	0	0
Designated for Industrial Development	396,507	0	0	0
Designated for Land Acquisition	3,082,000	0	0	0
Undesignated	6,560,366	0	0	0
Special Revenue Funds				
Designated for Loan Guarantees	0	0	0	0
Designated for Handicap Parking	0	0	0	0
Designated for Park Preservation	0	0	0	0
Designated for Miscellaneous Trust Funds	0	0	0	0
Designated for Park Maintenance	0	0	0	0
Designated for Capital Assets	0	0	0	0
Undesignated	0	4,500,084	6,408,916	3,557,008
Capital Project				
Designated for Loan Guarantees	0	0	0	0
Designated for Capital Improvements	0	0	0	0
Undesignated	0	0	0	0
	<u>31,878,315</u>	<u>4,500,084</u>	<u>6,408,916</u>	<u>3,557,008</u>
TOTAL FUND BALANCES	31,878,315	4,500,084	6,408,916	3,557,008
TOTAL LIABILITIES AND FUND BALANCES	\$ 42,239,624	\$ 4,500,084	\$ 6,408,916	\$ 3,557,008

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LOCAL OPTION SALES SURTAX IMPROVEMENT	GRANTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
\$ 1,815,348	\$ 106,945	\$ 1,201,977	\$ 4,846,499
0	0	228,630	2,995,366
0	0	37,856	37,856
975,408	0	1,133,477	2,173,863
0	1,277	265,223	282,436
0	312,000	298,000	610,000
0	54,292	4,828	120,979
0	54,127	412,205	1,208,409
0	3,531,743	1,802,680	8,452,268
0	0	545,219	545,219
0	0	34,671	1,904,320
<u>2,790,756</u>	<u>4,060,384</u>	<u>5,964,766</u>	<u>23,177,215</u>
10,394,073	53,387	4,889,468	16,002,123
0	0	34,343	264,825
0	0	13,652,882	13,652,882
0	0	51,934	51,934
0	0	305,216	305,216
0	0	117,206	117,206
0	0	15,783	15,783
0	0	239,183	253,431
0	0	0	6,000,000
0	0	0	858,631
0	0	0	3,000,000
0	0	0	11,070,886
0	0	0	396,507
0	0	0	3,082,000
0	0	0	6,560,366
0	0	330,252	330,252
0	0	171,542	171,542
0	0	14,481,942	14,481,942
0	515,781	1,694,295	2,210,076
0	0	237,785	237,785
0	0	1,662,655	1,662,655
0	0	10,949,774	25,415,782
0	0	423,630	423,630
19,316,620	0	24,434,998	43,751,618
1,186,632	0	8,206,440	9,393,072
<u>30,897,325</u>	<u>569,168</u>	<u>81,899,328</u>	<u>159,710,144</u>
<u>\$ 33,688,081</u>	<u>\$ 4,629,552</u>	<u>\$ 87,864,094</u>	<u>\$ 182,887,359</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
 THE STATEMENT OF NET ASSETS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

Difference in amounts reported for governmental activities in the Statement of Net Assets on page C-1:

Fund balances - total governmental funds	\$	159,710,144
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Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.		554,601,101
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Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Notes receivable		8,452,568
Assessments		545,220
Unbilled accrued interest on assessments		407,826
Unamortized bond issue costs		1,421,322

Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable		(153,416,333)
Unamortized bond discount, issue expense, premium and refund loss		(1,887,418)
Notes payable		(50,575,000)
Compensated absences		(11,127,948)
Accrued interest payable on notes and bonds		(3,140,317)

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 Assets.		
Net assets from fund statement		65,017,864
Consolidation adjustment to enterprise funds		<u>2,560,332</u>

Net assets of governmental activities.	\$	<u><u>572,569,361</u></u>
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The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>GENERAL</u>	<u>UTILITY TAX</u>	<u>LOCAL OPTION TAX</u>	<u>EXCISE TAX</u>
REVENUES				
Taxes	\$ 85,215,729	\$ 34,808,613	\$ 0	\$ 0
Licenses and Permits	5,296,169	0	0	0
Fines and Forfeitures	1,947,142	0	0	0
Charges for Services and User Fees	11,799,259	0	0	0
Charges for General Administration	6,606,010	0	0	0
Intergovernmental Revenue				
Federal, State and Other Grants	2,317,547	0	0	0
State - Sales Tax	0	0	0	14,585,296
State - Revenue Sharing	0	0	0	3,125,820
State - Housing Improvement Program	0	0	0	0
State - Other	6,487,785	0	0	0
Pinellas County - Gasoline Tax	0	0	2,390,990	0
Pinellas County - Sales Tax	0	0	24,256,313	0
Pinellas County - Tourist Development	0	0	0	4,511,048
Pinellas County - Tax Increment	0	0	0	0
Total	<u>8,805,332</u>	<u>0</u>	<u>26,647,303</u>	<u>22,222,164</u>
Use of Money and Property				
Earnings on Investments	1,385,645	0	157	8,251
Other Interest Revenue	86,219	0	0	0
Securities Lending	374,877	0	0	0
Interest on Assessments	49,601	0	0	0
Rentals	372,161	0	0	0
Total	<u>2,268,503</u>	<u>0</u>	<u>157</u>	<u>8,251</u>
Miscellaneous				
Contributions	132,336	0	0	0
Assessments	72,805	0	0	0
Dispositions of Property	2,383,984	0	0	0
Other	434,389	0	(37,400)	0
Total	<u>3,023,514</u>	<u>0</u>	<u>(37,400)</u>	<u>0</u>
TOTAL REVENUES	<u>124,961,658</u>	<u>34,808,613</u>	<u>26,610,060</u>	<u>22,230,415</u>
EXPENDITURES				
Current Operations				
General Government	23,642,168	0	0	0
Community and Economic Development	14,330,870	0	0	0
Public Works	4,966,370	0	0	0
Public Safety				
Police	74,684,816	0	0	0
Fire and EMS	30,022,485	0	0	0
Recreation and Culture	36,045,140	0	0	0
Securities Lending				
Interest	355,022	0	0	0
Agent Fees	8,014	0	0	0
Debt Service				
Principal Payments	0	0	0	0
Interest Payments	0	0	0	0
Remarketing and Other Fees	19,180	0	0	0
Bond Costs	0	0	0	0
Capital Outlay	1,657,315	0	0	0
TOTAL EXPENDITURES	<u>185,731,380</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(60,769,722)</u>	<u>34,808,613</u>	<u>26,610,060</u>	<u>22,230,415</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	75,469,979	0	0	0
Transfers Out	(15,325,384)	(34,337,699)	(25,619,716)	(21,874,615)
Loan Proceeds	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>60,144,595</u>	<u>(34,337,699)</u>	<u>(25,619,716)</u>	<u>(21,874,615)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(625,127)</u>	<u>470,914</u>	<u>990,344</u>	<u>355,800</u>
FUND BALANCES - OCTOBER 1	<u>32,503,442</u>	<u>4,029,170</u>	<u>5,418,572</u>	<u>3,201,208</u>
FUND BALANCE - SEPTEMBER 30	<u>\$ 31,878,315</u>	<u>\$ 4,500,084</u>	<u>\$ 6,408,916</u>	<u>\$ 3,557,008</u>

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LOCAL OPTION SALES SURTAX IMPROVEMENT	GRANTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 0	\$ 0	\$ 15,815,954	\$ 135,840,296
0	0	0	5,296,169
0	3,757	1,280,809	3,231,708
0	0	15,239,854	27,039,113
0	0	0	6,606,010
1,346,843	3,143,527	2,478,579	9,286,496
0	0	2,000,004	16,585,300
0	0	0	3,125,820
0	0	2,516,001	2,516,001
0	0	16,120	6,503,905
0	0	0	2,390,990
0	0	0	24,256,313
0	0	0	4,511,048
0	0	2,938,052	2,938,052
<u>1,346,843</u>	<u>3,143,527</u>	<u>9,977,032</u>	<u>72,142,201</u>
787,791	56,962	1,834,637	4,073,443
0	0	0	86,219
428,142	0	571,973	1,374,992
0	0	0	49,601
0	8,800	2,062,717	2,443,678
<u>1,215,933</u>	<u>65,762</u>	<u>4,469,327</u>	<u>8,027,933</u>
2,150,000	0	275,476	2,557,812
0	0	958,889	1,031,694
0	317,250	183,314	2,884,548
3,093	1,614,433	2,464,094	4,478,609
<u>2,153,093</u>	<u>1,931,683</u>	<u>3,881,773</u>	<u>10,952,663</u>
4,715,869	5,144,729	50,664,749	269,136,093
0	0	352,298	23,994,466
0	4,747,309	4,614,719	23,692,898
59,320	0	3,718,258	8,743,948
0	0	943,575	75,628,391
0	0	9,566,588	39,589,073
0	0	9,083,292	45,128,432
406,683	0	542,712	1,304,417
8,584	0	11,704	28,302
500,000	0	18,000,000	18,500,000
30,000	100,969	7,878,217	8,009,186
0	0	28,709	47,889
0	0	97,052	97,052
<u>31,000,625</u>	<u>259,400</u>	<u>9,713,819</u>	<u>42,631,159</u>
<u>32,005,212</u>	<u>5,107,678</u>	<u>64,550,943</u>	<u>287,395,213</u>
<u>(27,289,343)</u>	<u>37,051</u>	<u>(13,886,194)</u>	<u>(18,259,120)</u>
23,225,185	0	44,192,621	142,887,785
(1,160,000)	0	(32,903,779)	(131,221,193)
0	0	16,527,000	16,527,000
<u>22,065,185</u>	<u>0</u>	<u>27,815,842</u>	<u>28,193,592</u>
(5,224,158)	37,051	13,929,648	9,934,472
<u>36,121,483</u>	<u>532,117</u>	<u>67,969,680</u>	<u>149,775,672</u>
<u>\$ 30,897,325</u>	<u>\$ 569,168</u>	<u>\$ 81,899,328</u>	<u>\$ 159,710,144</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL ACTIVITIES TO
 THE STATEMENT OF ACTIVITIES
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

Difference in amounts reported for governmental activities in the Statement of Activities on page C-2:

Net change in fund balances - total governmental funds	\$	9,934,472
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Assets.		42,631,159
Depreciation expenses on governmental capital assets included in the governmental activities in the Statement of Net Assets.		(21,340,256)
The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net assets.		
Long-term debt proceeds		(16,527,000)
Bond issue costs		97,052
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 Assets.		18,500,000
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.		662,987
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		(1,362,306)
Assessments receivable principal		73,717
Unbilled accrued interest on assessments		(127,229)
New notes receivable from economic development activity		1,835,249
Notes receivable principal forgiven		(21,637)
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.		
Capital assets transferred from (to) other funds		(1,360,965)
Net cost of capital asset dispositions		(736,480)
Capital asset contributions from other governments		164,124
Compensated absences		(1,522,860)
Accrued interest expense on long-term debt		(1,271,324)
Amortization of debt issue expense, discounts, premiums, refunding loss		(518,603)
Changes in net assets of governmental activities	\$	<u>29,110,100</u>

The accompanying notes are an integral part of these statements.

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	<u>ORIGINAL BUDGET</u>	<u>FINAL APPROVED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUE				
Taxes	\$ 84,815	\$ 84,815	\$ 85,216	\$ 400
Licenses and Permits	3,934	3,934	5,296	1,362
Fines and Forfeitures	2,064	2,064	1,947	(117)
Charges For Services, User Fees, and Sales	12,491	11,999	11,799	(200)
Charges to Other Funds	17,932	17,932	17,932	0
Intergovernmental Revenues	5,470	6,876	8,805	1,930
Use of Money and Property	1,786	1,797	2,189	392
Miscellaneous	541	607	3,024	2,416
TOTAL REVENUES	<u>129,033</u>	<u>130,025</u>	<u>136,208</u>	<u>6,183</u>
EXPENDITURES				
Current Operations				
General Government	24,933	25,720	23,980	1,740
Community and Economic Development	14,301	14,476	14,476	0
Public Works	5,453	5,453	5,048	405
Police	71,065	72,005	75,028	(3,023)
Fire and EMS	29,004	29,410	30,090	(680)
Recreation and Culture	34,389	36,142	37,412	(1,270)
TOTAL EXPENDITURES	<u>179,145</u>	<u>183,205</u>	<u>186,034</u>	<u>(2,829)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(50,112)</u>	<u>(53,180)</u>	<u>(49,826)</u>	<u>3,354</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	62,962	62,962	64,144	1,182
Transfers Out	(13,819)	(15,125)	(15,325)	(200)
TOTAL OTHER FINANCING SOURCES (USES)	<u>49,143</u>	<u>47,837</u>	<u>48,819</u>	<u>982</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(969)</u>	<u>(5,343)</u>	<u>(1,007)</u>	<u>4,336</u>
BUDGETARY FUND BALANCE - OCTOBER 1	31,650	31,650	31,650	0
Reserve for Encumbrances - October 1, 2004	0	478	478	0
Change in Reserve for Prepaid Costs and Inventory	0	49	49	0
BUDGETARY FUND BALANCE - SEPTEMBER 30	<u>\$ 30,681</u>	<u>\$ 26,834</u>	<u>\$ 31,170</u>	<u>\$ 4,336</u>
Reconciliation of Budget to GAAP Reporting				
Reserve for Encumbrances - September 30, 2005			665	
Reserve for Prepaid Costs and Inventory			247	
Recognition of Prior Year's Changes in Fair Value of Investments Held			79	
Recognition of Current Year's Changes in Fair Value of Investments Held			(283)	
FUND BALANCES - SEPTEMBER 30			<u>\$ 31,878</u>	

The accompanying notes are an integral part of these statements.

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

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	UTILITY TAX			LOCAL OPTION TAX			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES							
Taxes	\$ 34,388	\$ 34,809	\$ 421	\$ 24,366	\$ 24,366	\$ 26,647	\$ 2,281
Intergovernmental Revenues	0	0	0	0	0	0	0
Use of Money and Property	0	0	0	25	25	0	(25)
Miscellaneous Revenues	0	0	0	0	0	(37)	(37)
TOTAL REVENUES	34,388	34,809	421	24,391	24,391	26,610	2,219
EXPENDITURES							
Community and Economic Development	0	0	0	0	0	0	0
TOTAL EXPENDITURES	0	0	0	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	34,388	34,809	421	24,391	24,391	26,610	2,219
OTHER FINANCING SOURCES (USES)							
Transfers Out							
General Fund	(34,388)	(34,338)	50	(24,372)	(25,657)	(25,620)	37
Total Transfers Out	(34,388)	(34,338)	50	(24,372)	(25,657)	(25,620)	37
TOTAL OTHER FINANCING SOURCES (USES)	(34,388)	(34,338)	50	(24,372)	(25,657)	(25,620)	37
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	471	471	19	(1,266)	990	2,256
BUDGETARY FUND BALANCES - OCTOBER 1	4,029	4,029	0	5,419	5,419	5,419	(0)
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 4,029	4,500	\$ 471	\$ 5,438	\$ 4,153	6,409	\$ 2,256
RECONCILIATION OF BUDGET TO GAAP REPORTING							
Reserve for Encumbrances - September 30, 2005		0				0	
FUND BALANCES - SEPTEMBER 30		\$ 4,500				\$ 6,409	

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

EXCISE TAX			GRANTS		
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
20,889	22,222	1,333	6,321	3,144	(3,177)
19	8	(11)	0	66	66
0	0	0	0	1,935	1,935
<u>20,908</u>	<u>22,230</u>	<u>1,322</u>	<u>6,321</u>	<u>5,144</u>	<u>(1,177)</u>
0	0	0	6,321	5,162	1,159
0	0	0	6,321	5,162	1,159
<u>20,908</u>	<u>22,230</u>	<u>(43,138)</u>	<u>0</u>	<u>(18)</u>	<u>(18)</u>
<u>(20,908)</u>	<u>(21,875)</u>	<u>(967)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(20,908)</u>	<u>(21,875)</u>	<u>(967)</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>(20,908)</u>	<u>(21,875)</u>	<u>(967)</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	356	356	0	(18)	(18)
<u>3,201</u>	<u>3,201</u>	<u>0</u>	<u>532</u>	<u>532</u>	<u>0</u>
<u>\$ 3,201</u>	<u>3,557</u>	<u>\$ 356</u>	<u>\$ 532</u>	<u>514</u>	<u>\$ (18)</u>
	<u>0</u>			<u>53</u>	
	<u>\$ 3,557</u>			<u>\$ 568</u>	

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF NET ASSETS
 PROPRIETARY FUNDS
 SEPTEMBER 30, 2005

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 6,834,620	\$ 2,070,173	\$ 513,132
Investments	110,121,546	7,862,403	8,879,236
Receivables			
Accounts	5,511,838	3,029,980	1,592,907
Accrued Interest	1,052,431	40,722	65,322
Unbilled Revenues	2,185,565	0	104,542
Due from Other Governmental Agencies			
Grants	25,852	20,295	212,605
Services	140,991	0	135,879
Contracts	572,141	0	0
Inventories	1,004,090	25,536	68,810
Prepaid Expenses and Deposits	1,200	0	0
Restricted Assets			
Cash and Cash Equivalents	16,048,526	522,280	0
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Total Current Assets	143,498,800	13,571,389	11,572,433
NONCURRENT ASSETS			
Capital Assets			
Land	4,309,442	4,283,067	203,692
Buildings	6,482,960	3,332	849,614
Improvements	2,302,322	11,656,847	463,467
Machinery and Equipment	10,913,047	377,132	32,615,902
Utility Systems	518,802,228	124,331,271	0
Accumulated Depreciation	(195,697,103)	(30,227,422)	(27,894,227)
Projects in Progress	40,382,305	6,547,157	98,762
Total Capital Assets	387,495,201	116,971,384	6,337,210
Other Assets			
Assessments (Net of Uncollectible)	39,978	0	1,848,635
Contract Receivable From Other			
Governmental Agency	22,103,905	0	0
Unamortized Loan Costs	2,058,662	241,388	0
Total Other Assets	24,202,545	241,388	1,848,635
Total Noncurrent Assets	411,697,746	117,212,772	8,185,845
TOTAL ASSETS	\$ 555,196,546	\$ 130,784,161	\$ 19,758,278

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICES FUNDS
\$ 4,246,755	\$ 13,664,680	\$ 32,667,794
0	126,863,185	32,270,139
502,941	10,637,666	910,493
0	1,158,475	281,390
0	2,290,107	0
264,726	523,478	0
0	276,870	606
0	572,141	0
99,855	1,198,291	1,316,526
3,673	4,873	1,652,382
0	16,570,806	
<u>238,045</u>	<u>238,045</u>	
<u>5,355,995</u>	<u>173,998,617</u>	<u>69,099,330</u>
3,522,091	12,318,292	1,896,580
10,113,860	17,449,766	10,142,136
22,172,513	36,595,149	2,764,616
2,946,630	46,852,711	71,391,867
0	643,133,499	0
(21,714,895)	(275,533,647)	(57,873,688)
<u>2,390,799</u>	<u>49,419,023</u>	<u>0</u>
<u>19,430,998</u>	<u>530,234,793</u>	<u>28,321,511</u>
0	1,888,613	0
0	22,103,905	0
<u>34,283</u>	<u>2,334,333</u>	<u>0</u>
<u>34,283</u>	<u>26,326,851</u>	<u>0</u>
<u>19,465,281</u>	<u>556,561,644</u>	<u>28,321,511</u>
<u>\$ 24,821,276</u>	<u>\$ 730,560,261</u>	<u>\$ 97,420,841</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF NET ASSETS (Continued)
PROPRIETARY FUNDS
SEPTEMBER 30, 2005

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
LIABILITIES			
CURRENT LIABILITIES			
Vouchers and Accounts Payable	\$ 2,902,396	\$ 447,135	\$ 1,753,957
Accrued Salaries	274,942	71,515	137,198
Accrued Annual Leave	153,151	0	126,359
Retainage on Contracts	601,836	357,455	0
Due to Other Governmental Agencies	145,073	0	0
Claims - Current Portion	0	0	0
Bonds and Notes Payable - Current Portion	0	0	0
Payable from Restricted Assets			
Bonds and Notes Payable - Current Portion	4,308,000	0	0
Accrued Interest	2,675,458	522,868	0
Other Current Liabilities	540,000	0	0
Deposits	386,988	0	(30)
Total Current Liabilities	11,987,844	1,398,973	2,017,484
LONG-TERM LIABILITIES			
Accrued Annual Leave	1,468,813	179,975	1,076,106
Less Current Portion	(153,151)	0	(126,359)
Notes Payable - State	24,685,068	0	0
Less Current Portion	(1,183,000)	0	0
Revenue Bonds Payable	111,207,000	20,478,000	0
Less Current Portion	(3,125,000)	0	0
Claims	0	0	0
Less Current Portion	0	0	0
Unamortized Discount	(689,335)	(225,965)	0
Unamortized Deferred Amount on Refunding	(1,218,185)	0	0
Total Long-term Liabilities	130,992,210	20,432,010	949,747
TOTAL LIABILITIES	142,980,054	21,830,983	2,967,231
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	255,018,735	96,719,350	6,337,210
Restricted			
Debt Service	1,038,721	0	0
Capital Projects	5,237,727	0	0
Unrestricted	150,921,309	12,233,828	10,453,837
TOTAL NET ASSETS	\$ 412,216,492	\$ 108,953,178	\$ 16,791,047

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

NET ASSETS OF BUSINESS-TYPE ACTIVITIES

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICES FUNDS
\$ 143,293	\$ 5,246,781	\$ 5,535,585
137,421	621,076	376,077
12,051	291,561	68,733
0	959,291	0
28,893	173,966	876,321
0	0	4,346,200
565,000	565,000	0
0	4,308,000	0
0	3,198,326	0
17,942	557,942	25,241
<u>291,403</u>	<u>678,361</u>	<u>5,777,361</u>
<u>1,196,003</u>	<u>16,600,304</u>	<u>17,005,518</u>
253,130	2,978,024	948,392
(12,051)	(291,561)	(68,733)
0	24,685,068	0
0	(1,183,000)	0
2,865,000	134,550,000	0
(565,000)	(3,690,000)	0
0	0	18,864,000
0	0	(4,346,200)
0	(915,300)	0
0	(1,218,185)	0
<u>2,541,079</u>	<u>154,915,046</u>	<u>15,397,459</u>
<u>3,737,082</u>	<u>171,515,350</u>	<u>32,402,977</u>
16,804,041	374,879,336	28,321,511
0	1,038,721	0
238,045	5,475,772	0
<u>4,042,108</u>	<u>177,651,082</u>	<u>36,696,353</u>
<u>\$ 21,084,194</u>	<u>559,044,911</u>	<u>\$ 65,017,864</u>
	<u>(2,560,332)</u>	
	<u>\$ 556,484,579</u>	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
OPERATING REVENUES			
Sales and Concessions	\$ 43,064,289	\$ 0	\$ 0
Service Charges and Fees	43,671,806	10,454,575	30,921,254
Rentals and Parking	71,313	0	0
Other	28,706	0	0
Total Operating Revenues	<u>86,836,114</u>	<u>10,454,575</u>	<u>30,921,254</u>
OPERATING EXPENSES			
Personal Services and Benefits	20,029,518	3,653,296	13,237,471
Supplies, Services, and Claims	42,415,781	2,695,641	18,273,200
General Administrative Charges	3,951,000	433,190	1,871,004
Depreciation	12,512,321	2,430,959	2,805,505
Total Operating Expenses	<u>78,908,620</u>	<u>9,213,086</u>	<u>36,187,180</u>
OPERATING INCOME (LOSS)	<u>7,927,494</u>	<u>1,241,489</u>	<u>(5,265,926)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental Revenues	79,149	2,591,763	354,403
Earnings on Investments	3,161,457	285,672	277,629
Other Interest Revenue	1,128,576	0	180,630
Interest Expense	(3,737,904)	(55,736)	0
Financing Fees and Premium Paid	0	0	0
Amortization of Bond Discount and Issue Cost	(64,711)	0	0
Securities Lending Income	2,226,837	232,257	210,369
Securities Lending Expenses			
Interest	(2,113,458)	(220,135)	(199,186)
Agent Fees	(45,352)	(4,849)	(4,473)
Gain (Loss) on Disposition of Fixed Assets	91,271	7,805	438,107
Miscellaneous Revenues	126,064	329,612	36,349
Total Nonoperating Revenues (Expenses)	<u>851,929</u>	<u>3,166,389</u>	<u>1,293,828</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>8,779,423</u>	<u>4,407,878</u>	<u>(3,972,098)</u>
CONTRIBUTIONS			
Capital Assets from (to) Other Funds			
Capital Assets In	6,482	61,949	0
Contributions from Citizens and Developers	1,595,958	188,525	0
Total Contributions	<u>1,602,440</u>	<u>250,474</u>	<u>0</u>
TRANSFERS IN (OUT)			
Transfers In	0	0	0
Transfers Out	(7,654,308)	(1,445,628)	(2,402,544)
Total Transfers In (Out)	<u>(7,654,308)</u>	<u>(1,445,628)</u>	<u>(2,402,544)</u>
CHANGE IN NET ASSETS	2,727,555	3,212,724	(6,374,642)
NET ASSETS - OCTOBER 1	<u>409,488,937</u>	<u>105,740,454</u>	<u>23,165,689</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 412,216,492</u>	<u>\$ 108,953,178</u>	<u>\$ 16,791,047</u>

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.

Change in net assets of business-type activities (page C-2).

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
\$ 661,991	\$ 43,726,280	\$ 0
3,077,008	88,124,643	69,073,665
3,855,072	3,926,385	6,894,145
0	28,706	0
7,594,071	135,806,014	75,967,810
3,953,659	40,873,944	14,875,905
2,432,053	65,816,675	57,154,067
351,000	6,606,194	0
1,270,313	19,019,098	7,433,439
8,007,025	132,315,911	79,463,411
(412,954)	3,490,103	(3,495,601)
537,989	3,563,304	(972)
126,122	3,850,880	1,316,821
0	1,309,206	0
(23,188)	(3,816,828)	0
(12,368)	(12,368)	0
(6,751)	(71,462)	0
0	2,669,463	658,807
0	(2,532,779)	(625,532)
0	(54,674)	(13,309)
(45)	537,138	391,626
45,307	537,332	256,329
667,066	5,979,212	1,983,770
254,112	9,469,315	(1,511,831)
0	68,431	1,292,534
90,888	1,875,371	0
90,888	1,943,802	1,292,534
392,000	392,000	118,000
(578,532)	(12,081,012)	(95,580)
(186,532)	(11,689,012)	22,420
158,468	(275,895)	(196,877)
20,925,726		65,214,741
\$ 21,084,194		\$ 65,017,864
	(859,864)	
	\$ (1,135,759)	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS	
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	\$ 87,318,761	\$ 8,162,888
Payments to Suppliers	(44,874,284)	(736,645)
Payments to Employees	(19,893,713)	(3,627,884)
Internal Activity - Payments to Other Funds	(3,304,462)	(2,482,810)
Claims Paid	(705,888)	(25,884)
Net Cash Provided (Used) by Operating Activities	18,540,414	1,289,665
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental Revenue	445,408	2,685,268
Grants and Aids Out	0	0
Transfers In	0	0
Transfers Out	(7,654,308)	(1,445,628)
Net Cash Provided by (Used for) Noncapital Financing Activities	(7,208,900)	1,239,640
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(23,376,792)	(8,578,985)
Principal Paid on Revenue Bond and Note Maturities	(4,191,039)	0
Interest Paid on Revenue Bonds and Notes	(4,777,816)	(55,736)
Proceeds From Sale of Bonds and Notes	0	7,805
Proceeds From Sale of Capital Assets and Recoveries	91,557	0
Proceeds From Loan	21,523	0
Variable Rate Bond Fees	0	0
Bond Issue Expenses	(186,371)	0
Capital Contributed by Developers and Citizens	1,606,564	188,525
Collections on Contracts and Notes Receivable	549,871	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	(30,262,503)	(8,438,391)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment Securities	(29,179,553)	(2,875,684)
Proceeds From Sale and Maturities of Investment Securities	13,443,333	7,500,000
Interest on Investments (Includes Security Lending income)	7,663,354	685,165
Security Lending Expenses and Fees	(2,158,810)	(224,984)
Net Cash Provided by (Used for) Investment Activities	(10,231,676)	5,084,497
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(29,162,665)	(824,589)
CASH AND CASH EQUIVALENTS - OCTOBER 1	52,045,811	3,417,042
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	\$ 22,883,146	\$ 2,592,453
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 7,927,494	\$ 1,241,489
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation	12,512,321	2,430,959
Other Revenues (Expenses)	126,064	329,612
(Increase) Decrease in Accounts Receivable	(698,059)	(2,371,299)
(Increase) Decrease in Due from Other Governmental Agencies	793,721	0
(Increase) Decrease in Inventories	(217,345)	(10,704)
(Increase) Decrease in Prepaid Expenses and Deposits	0	0
Increase (Decrease) in Vouchers and Accounts Payable	(2,300,508)	(105,804)
Increase (Decrease) in Accrued Salaries	41,654	12,839
Increase (Decrease) in Accrued Annual Leave	94,151	12,573
Increase (Decrease) in Accrued Interest	0	0
Increase (Decrease) in Due to Other Governmental Agencies	143,434	0
Increase (Decrease) in Other Current Liabilities	0	(250,000)
Increase (Decrease) in Claims	0	0
Increase (Decrease) in Deposits	117,487	0
Net Cash Provided by Operating Activities	\$ 18,540,414	\$ 1,289,665
Noncash Investing, Capital, and Financing Activities:		
Contributions of Capital Assets from Other Funds	\$ 6,482	\$ 61,949
Contributions of Capital Assets from Governmental Activities	0	0
Contributions of Capital Assets to Other Funds	0	0
Contributions of Capital Assets to Governmental Activities	0	0
Increase in Claims	0	0
Increase (Decrease) in Fair Value of Investments	(2,275,060)	(194,116)

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

SANITATION	NON MAJOR ENTERPRISE FUNDS	TOTALS	GOVERNMENTAL ACTIVITIES- INTERNAL SERVICE FUNDS
\$ 31,081,498	\$ 7,307,202	\$ 133,870,349	\$ 76,155,494
(15,130,197)	(2,359,526)	(63,100,652)	(36,383,111)
(13,244,078)	(3,834,386)	(40,600,061)	(14,850,814)
(4,678,195)	(689,414)	(11,154,881)	(12,728,619)
(423,972)	(20,268)	(1,176,012)	(5,398,893)
<u>(2,394,944)</u>	<u>403,608</u>	<u>17,838,743</u>	<u>6,794,057</u>
314,758	72,398	3,517,832	12,016
0	339,244	339,244	0
0	392,000	392,000	118,000
(2,402,544)	(578,532)	(12,081,012)	(173,580)
<u>(2,087,786)</u>	<u>225,110</u>	<u>(7,831,936)</u>	<u>(43,564)</u>
(2,954,036)	(664,435)	(35,574,248)	(8,091,473)
0	(535,000)	(4,726,039)	0
0	(62,187)	(4,895,739)	0
0	0	7,805	0
438,107	0	529,664	422,146
0	0	21,523	0
0	(12,368)	(12,368)	0
0	0	(186,371)	0
0	90,888	1,885,977	0
0	0	549,871	0
<u>(2,515,929)</u>	<u>(1,183,102)</u>	<u>(42,399,925)</u>	<u>(7,669,327)</u>
(2,445,753)	0	(34,500,990)	(22,251,626)
6,509,047	0	27,452,380	22,361,050
897,264	126,122	9,371,905	2,667,363
(203,659)	0	(2,587,453)	(638,840)
<u>4,756,899</u>	<u>126,122</u>	<u>(264,158)</u>	<u>2,137,947</u>
(2,241,760)	(428,262)	(32,657,276)	1,219,113
<u>2,754,892</u>	<u>4,913,062</u>	<u>63,130,807</u>	<u>31,448,681</u>
\$ <u>513,132</u>	\$ <u>4,484,800</u>	\$ <u>30,473,531</u>	\$ <u>32,667,794</u>
\$ (5,265,926)	\$ (412,954)	\$ 3,490,103	\$ (3,495,601)
2,805,505	1,270,313	19,019,098	7,433,439
36,349	45,307	537,332	256,329
259,804	(271,762)	(3,081,316)	50,869
(135,879)	0	657,842	0
(17,046)	(3,082)	(248,177)	(224,819)
30	37,576	37,606	67,012
(71,144)	(322,149)	(2,799,605)	1,112,298
(37,957)	58,867	75,403	64,512
31,350	60,406	198,480	(39,421)
0	0	0	(3,643)
0	0	143,434	(119,514)
0	0	(250,000)	0
0	0	0	1,351,000
(30)	(58,914)	58,543	341,596
\$ <u>(2,394,944)</u>	\$ <u>403,608</u>	\$ <u>17,838,743</u>	\$ <u>6,794,057</u>
\$ 0	\$ 0	\$ 68,431	\$ 1,292,534
0	0	0	0
0	0	0	0
0	0	0	0
(228,636)	0	(2,697,812)	1,351,000
			(591,755)

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 SEPTEMBER 30, 2005

	PENSION FUNDS	AGENCY
ASSETS		
Cash and Cash Equivalents	\$ 50,456	\$ 484,696
Trustee Accounts		
Cash and Cash Equivalents	23,121,125	0
Total Cash and Cash Equivalents	23,171,581	484,696
Receivables		
Accounts	0	500
Unsettled Investment Sales	2,820,964	0
Interest and Dividends	2,744,030	0
Total Receivables	5,564,994	500
Investments, at Fair Value		
Government Securities	99,111,725	0
Corporate Bonds	105,202,595	0
Common and Preferred Stock	375,937,067	0
Total Investments	580,251,387	0
TOTAL ASSETS	608,987,962	485,196
LIABILITIES		
Payables		
Accounts	0	5,194
Due to Other Governmental Agencies- Pinellas County	0	458,208
Deferred Retirement Option Plan	1,577,563	0
Unsettled Investment Purchases	2,612,307	0
Uncashed Checks	0	21,794
TOTAL LIABILITIES	4,189,870	485,196
NET ASSETS		
Held in Trust for Pension Benefits	\$ 604,798,092	\$ 0

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
 FIDUCIARY FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>PENSION FUNDS</u>
ADDITIONS	
Contributions	
Employer (Charges to Other Funds)	\$ 33,294,138
Employees	4,236,586
State Insurance Fund	0
Total Contributions	<u>37,530,724</u>
Investment Income	
Net Increase in Fair Value of Investments	43,526,996
Interest on Investments	10,681,352
Dividends on Stock	5,474,706
Total Investment Income	59,683,054
Less Investment Expense	2,107,031
Net Investment Income	<u>57,576,023</u>
TOTAL ADDITIONS	<u>95,106,747</u>
 DEDUCTIONS	
Benefits	30,215,551
Deferred Retirement Option Payouts	1,188,741
Deferred Retirement Option Contributions	1,682,661
Deferred Retirement Option Earnings	21,742
Refunds of Contributions	109,108
Interest on Contributions Refunded	710
Administrative Expenses	17,728
TOTAL DEDUCTIONS	<u>33,236,241</u>
CHANGE IN NET ASSETS	61,870,506
NET ASSETS - OCTOBER 1	<u>542,927,586</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 604,798,092</u>

The accompanying notes are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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 unit, entities 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. All revenues of the SPCRA are used to fund the debt service requirements of the City's Public Improvement Revenue Bonds and Capital Improvements within the improvement districts. The operations of the SPCRA are reported in the Redevelopment Tax Increment and Redevelopment Funds, as Special Revenue 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 benefitting health care organizations for all costs incurred. The City funds any operating deficit of the SPHFA. The operations of the SPHFA are reported as the St. Petersburg Health Facilities Authority in the government-wide financial statements in separate columns. 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 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.

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

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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

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, 2005, had a related party transaction with the TBWA as follows: The City paid \$23,516,207 for water purchases, and received \$1,123,903 in interest and \$549,871 of principal on the TBWA contract receivable. The remaining principal in the TBWA contract receivable is \$22,676,046.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government city-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 Assets 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 also eliminated from this presentation since these resources are not available for general government funding purposes. The Statement of Net Assets reports all financial and capital resources of St. Petersburg's governmental and business-type activities. It is presented in a net assets format (assets less liabilities equal net assets) and shown with three components: amounts invested in capital assets, net of related debt; restricted net assets and unrestricted net assets. 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 nonmajor funds in the aggregate for governmental, proprietary and fiduciary funds. 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 except, for recognition of certain liabilities of defined benefit pension plans. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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

Property tax revenue is recognized in the period for which they are levied. 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 revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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, and jointly assessed taxes collected through other governments are within 90 days).

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.

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; (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). The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989 in accounting and reporting for its proprietary operations but has elected not to apply FASB pronouncements issued after November 30, 1989.

The following are reported as major governmental funds:

- The General Fund is the general operating fund of the City. It accounts 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.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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

- The Utility Tax Special Revenue Fund is used to account for all utility tax collections from all sources as required by bond covenants.
- The Local Option Tax Special Revenue Fund is used to account for all sales tax revenue produced by the one cent Pinellas County Local Option Sales Surtax and is shared with the City based on population ratios.
- The Excise Tax Special Revenue Fund is used to account for primary revenue sources pledged to fund all debt service relating to the outstanding Excise Tax Secured Revenue Bonds.
- 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. These projects are part of a program begun in 1990 and extended to 2020 that is funded by the city's share of the Pinellas County one cent local option sales surtax.
- The Grants Fund is used to account for revenues received from the U.S. Department of Housing and Urban Development under the HOME and Community Development Block Grants. The revenues are used for expenditures allowed by the grant documents.

The following are reported as major enterprise funds:

- Water and Wastewater Utility 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 Utility 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. 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 are 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.
- 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, other governments or other funds. The activities included in the agency funds include all payroll liability clearing, employee payroll deductions for credit union

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

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

deposits, IRS collection activity, 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 these charges would distort the direct costs and program revenues reported for the various functions concerned.

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, Liabilities and Net Assets 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, and short-term investments with original maturities of three months or less from the date of acquisition.

Florida Statute 218.415 and the City's investment policy authorize the City to invest surplus funds in the following:

- The Local Government Surplus Funds Trust Fund under the management of the State Board of Administration.
- Negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by, the U.S. Government.
- Interest bearing time deposits, savings and money market accounts in banks and savings and loans organized under Florida state law or doing business in and situated in the State, provided they are qualified State of Florida public depositories.
- Obligations of U.S. Governmental sponsored corporations including FNMA, FFCB, FHLB, HLMC, FLB and SLMA.
- Commercial paper of U.S. corporations having a rating of at least two of the following three ratings: A-1, P-1 and F-1, as rated by any one of the following rating services, Standard & Poors, Moody's, and Fitch Investors Service.
- Bankers' acceptances that are eligible for purchase by the Federal Reserve Banks and have a letter of credit rating of AA or better.
- Tax-exempt governmental obligations. Tax-exempt obligations with a rating of A- or less, must be an insured issue through MBIA, or an equivalent company. Issues rated A+ or higher may or may not carry an insurance backing.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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

- Collateralized mortgage obligations issued by Federal Agencies and Instrumentalities limited to PAC 1 and TAC's in a sequential pay structure.
- Corporate asset backed notes with the highest rating by one of the three rating services.
- Guarantee Investment Contracts (GIC) with an issuing financial institution which has at least the two highest ratings on its long-term debt by one of the three rating services.
- Repurchase agreements with primary dealers and the City's primary state certified qualified public depository.
- Reverse repurchase agreement (securities lending) with the City's custodial bank under a securities lending contract.
- U.S. Governments and agency registered short-term Mutual Funds.
- Taxable governmental bonds, notes or other obligations of investment grade quality as established by one of the three rating services.
- The Nations Strategic Cash Portfolio capital class shares, which is an overnight non-registered mutual fund.

The reported value of the Local Government Surplus Funds Trust Fund (SBA) is shown at share value as it meets the criteria to be A2A-7Like @ investment at September 30, 2005. The City invests funds throughout the year with the Local Government Surplus Funds Trust Fund, an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the State of Florida. Throughout the year and as of September 30, 2005, the SBA contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments were purchased to add relative value to the portfolio. There is risk of loss of interest on the investments if there are changes in the underlying indexed base. These investments represented 32.37% of the SBA's total portfolio at September 30, 2005.

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 un-collectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for un-collectibles.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

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

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 un-billed consumption as of September 30.

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 in both government-wide and fund financial statements.

4. Restricted Assets

Bond Funding's 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 bank accounts and their use is limited by applicable bond covenants. Also, bond proceeds that are set aside to subsidize potential deficiencies from the City's operations that affect debt service payments, revenue bond 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 nonmajor governmental funds presentation are donor-restricted assets given to the City with the stipulation that the original endowment not be spent, but only the earnings thereon. The total nonmajor endowment restricted assets at September 30, 2005, total \$438,205. The City's policy is to authorize the expenditures of all interest and dividends earned less management fees and to reinvest all appreciated value.

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 applicable in the enterprise funds. Gifts or contributions are recorded at fair market value at the time received.

The City maintains a \$1,000 threshold for additions to capital assets. Public domain and system infrastructure assets represent such items as roads, water and wastewater treatment plants and lines, parks and drainage systems.

CITY OF ST. PETERSBURG, FLORIDA
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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

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

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

	Life - Years
Buildings	10 - 50
Equipment	2 - 10
Autos and trucks	2 - 10
System infrastructure	20 - 50
Public domain infrastructure	20 - 50
Other improvements	5 - 20

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.

7. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the 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 type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the outstanding principal method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types 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 financial sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Losses resulting from advance refundings of debt in proprietary funds are deferred and amortized over the shorter of the life of the new debt or the remaining life of the defeased debt and are reported as a reduction of the debt and are amortized and reported as a component of interest expense.

CITY OF ST. PETERSBURG, FLORIDA
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NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

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

8. Fund Balances

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

Designations of fund balance represent tentative management plans that are subject to change.

9. 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.

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 and Debt Service Funds. The Mayor submits to the City Council this 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. Public hearings are conducted to obtain taxpayer comments on the proposed budget and ad-valorem millage rate. Prior to October 1, the City Council legally enacts the operating budget and sets the 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 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 Fund, Special Revenue Funds and Debt Service Funds. All supplemental appropriations are included in the budget columns of the financial statements and schedules. Unencumbered appropriations in the annual operating budget lapse at fiscal year end. Florida statutes limits subsequent budget appropriation to sixty days after the fiscal year end. The City had subsequent year end adjustments in expenditure categories after November 30, 2005 which caused three general fund administration levels to exceed their approved budget. In addition, these adjustments caused four special revenue fund expenditures to exceed budget.

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 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

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 3 - PROPERTY TAXES

budget is made.

A. CALENDAR OF PROPERTY TAX EVENTS

January 1, 2004 - Property taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

May 18, 2004 - Property assessment roll and certificates of value by County Property Appraiser provided to the City.

July 8, 2004 - Proposed tax millage rate approved by the City Council and provided to the County Property Appraiser, who mails notices to the taxpayers.

September 9, 2004 - Property tax millage rate resolution approved by the City Council.

October 1, 2004 - Beginning of fiscal year for which taxes are levied.

October 12, 2004 - County Property Appraiser notifies the City of taxable value on the final property tax assessment roll.

November 1, 2004 - Property Tax levy due and payable.

April 1, 2005 - Unpaid property taxes become delinquent and become a lien.

June 1, 2005 - 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 1- ½ % 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 and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 3 - PROPERTY TAXES - (Continued)

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, 2005, the approved operating millage was 7.09.

NOTE 4 - DEPOSITS AND INVESTMENTS

The City maintains cash management accounts for its cash and cash equivalents in which each fund and/or account or sub-account of a fund participates on a dollar equivalent and daily transaction basis. Interest income (which includes unrealized gains and losses) is distributed monthly based on a monthly average balance. The use of zero balance accounts with daily sweeps allows for the City's portfolio to be fully invested at all times.

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.

At fiscal year end, the carrying amount of the City's deposits were \$4,490,768 and the bank balances were \$7,371,137. Of the bank balances, \$793,150 was insured by federal depository insurance and \$6,577,987 was collateralized by the Florida Public Deposit Security Trust Fund. Deposits are collateralized by public deposits under Chapter 280, Florida Statutes by placing securities with the State Board of Administration which have a fair value of at least 50% of the average daily balances of all public deposits in excess of any applicable deposit insurance for each month. The Public Deposit Security Trust Fund has a procedure to assess fees to recover losses in the event of a default or insolvency of member financial institutions. When public deposits are made in accordance with Chapter 280, no governmental body is subject to loss of principal and interest thereon.

On July 1, 2003, the City entered into a three year banking services agreement with Bank of America. There are no compensating balances required to be maintained. There are no line of credit commitments within the contract. The agreement requires payment monthly for all banking service costs. Collected funds on the City's three main accounts earned interest daily and are credited to the accounts monthly. The City's contract for charge card processing service with Bank of America to process all VISA, Master Card and Discover Card charges which are deposited into the City's accounts on a daily basis will expire on July 1, 2006. The City also has a month-to-month agreement with Florida Power Corporation to act as provider of all lockbox services for collections on City Utility Bills.

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 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. The policy establishes four portfolio's needed to identify cash flow requirements within the City as well as modifying interest rate and concentration risk. The overnight portfolio contains investments in overnight funds and those due within one year. The debt service portfolio contains overnight funds accumulated for periodic debt payments as well as any invested reserves. The two remaining portfolio's are

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

considered core investment portfolio's and as such contain investments with maturities that can be as long as 10 years with a modified duration not exceeding 5 years.

The City's written investment policy currently authorizes the Finance Director to purchase and invest idle funds in U.S. Treasuries and obligations of agencies of the United States, U.S. Instrumentalities, collateralized mortgage obligations, bankers acceptances, commercial paper, corporate asset backed, non-negotiable commercial deposits, guarantee investment contracts, tax exempt bonds, repurchase agreements, reverse repurchase agreements, U.S. Governmental short-term mutual funds, taxable governmental bonds, corporate notes and bonds, externally managed funds, the State Board of Administration Investment Pool, and State of Florida Public Deposit Governmental money market funds.

The State Board of Administration is part of the Local Government Surplus Funds Trust Fund and is governed by Ch. 19-7 of the Florida Administrative Code. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the State of Florida Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The fair value of the position in the external investment pool is the same as the value of the pool shares. The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission, however, the board has adopted operating procedures consistent with the requirements for a 2a-7 fund.

During 2005, the City, adopted Governmental Accounting Standards Board (GASB) No. 40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No. 3, and it is effective for financial statement periods beginning after June 15, 2004. This Statement addressed common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, the statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to the risks identified in the Statement should be disclosed. The impact of changes on the financial statements and notes indicate a modification of disclosures related to cash and cash equivalent, deposits and investments. While the statement had an impact on the presentation of the notes to the financial statements, there was no impact on the City's net assets.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

At year end, the government's deposits and investment balances were as follows:

	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Modified Duration</u>	<u>Percent of Portfolio</u>
Cash and Cash Equivalents:				
Cash		\$ 4,490,768		
State of Florida Local Government Surplus Trust Fund	Not Rated	90,736,567	0.4	65.97%
Mercantile Bank - Treasury Index Money Market Fund	AAA	5,275,549	0.4	3.84%
Bank of America - Columbia Strategic Cash Fund	AAA	<u>37,040,527</u>	0.2	<u>26.93%</u>
TOTAL		<u>\$137,543,411</u>		<u>100.00%</u>
Investments:				
Collateralized Mortgage Obligations	AAA	\$ 110,325	16.3	.05%
Taxable Municipal Bonds	AAA	9,279,250	1.7	4.01%
Federal Agency Bond/Notes:				
FAMCA	AAA	4,960,900	3.9	2.14%
FFCB	AAA	4,622,367	3.2	2.00%
FHLB	AAA	134,544,490	3.0	58.14%
FHLMC	AAA	10,997,294	3.0	4.75%
FNMA	AAA	<u>66,902,337</u>	3.3	<u>28.91%</u>
TOTAL		<u>\$ 231,416,963</u>	3.0	<u>100.00%</u>

The investment ordinance and policy include governmental, 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 will not be called. All cash equivalent investments are based on total investments held in the investment pool at the balance sheet date. All investments are held in custodial trust accounts in the City's name.

Interest Rate Risk (Modified Duration)

Interest rate risk is the risk that as market rate changes 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 policy limits the maturity of an investment to a maximum of 10 years with a modified duration of 5 years. The respective modified durations were based on the securities maturity date, not the call date.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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). Investments in the State Board of Administration and the Local Government Surplus Funds Trust Fund, do not have a rating from NRSRO. Commercial paper and bankers acceptances must have the highest letter and numerical rating as provided for by at least one NRSRO. The credit ratings below were consistent among the three major rating agencies (Moody's, Standard and Poor's, and Fitch).

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. The policy provides that a maximum of 80% of the portfolio may be invested in taxable municipal bonds. A maximum of 100% of available funds may be invested in the Local Governments Surplus Funds Trust Fund. A maximum of 100% of the total portfolio may be invested in U.S. Government securities and federal instrumentalities. A maximum of 50% of the portfolio may be invested in collateralized mortgage obligations. A maximum of 20% of the portfolio may be invested in the collateralized strategic cash fund. A maximum of 25% in qualified Florida Public Depository money market funds.

At year end, the government's trustee deposits and investment balances were as follows:

	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Modified Duration</u>	<u>Percent of Portfolio</u>
Trustee Accounts:				
Cash and Cash Equivalents:				
Cash Equivalents				
Deutsche Bank Trust Institutional Treasury Money Market	AAA	\$ 522,983	0.4	24.45%
SunTrust Bank Trust Institutional Treasury Money Market	AAA	388,902	0.4	18.17%
Columbia Cash Reserve Money Market	AAA	<u>3,585</u>	0.4	.17%
TOTAL		<u>915,470</u>		
Investments:				
U.S. Treasury Notes		833,177	.2	38.95%
SunTrust Bank Short-term Bond Fund	A	56,615	Not Available	2.65%
American Income Stock Fund	Not Rated	117,206	Not Available	5.48%
Columbia Short-term Bond Fund	Not Rated	46,240	Not Available	2.16%
Columbia Total Return Bond Fund	Not Rated	78,370	Not Available	3.66%
Columbia Stock Fund	Not Rated	<u>92,234</u>	Not Available	<u>4.31%</u>
TOTAL		<u>1,223,842</u>		
Total Trustee Accounts		<u>\$ 2,139,312</u>		<u>100.00%</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

At year end, the component unit deposits and investments balances were as follows:

Cash	<u>\$19,061</u>
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At year end, the Fiduciary Funds deposits and investment balances were as follows:

	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Weighted Average</u>	<u>Percent of Portfolio</u>
Agency Funds:				
Cash		\$ 484,696		
TOTAL		<u>\$ 484,696</u>		
Pension Funds (General Employees, Police, and Firefighters)				
Cash and Cash Equivalents:				
Cash		\$ 50,456		0%
Institutional Money Markets	AAA	<u>23,121,125</u>	.13	<u>3.83%</u>
TOTAL		<u>23,171,581</u>		<u>3.83%</u>
Investments:				
U.S. Treasuries	AAA	9,004,331	3.82	1.50%
U. S. Agencies	AAA	90,107,394	6.91	14.93%
Corporate Bonds	AA - A1	105,202,595	6.38	17.44%
Common and Preferred Stock		322,913,499		53.51%
Stock Mutual Funds		15,579,949		2.58%
Commingled Foreign Stock Mutual Funds		<u>37,443,619</u>		<u>6.21%</u>
TOTAL		<u>580,251,387</u>		<u>96.17%</u>
TOTAL PENSION FUNDS		<u>\$ 603,422,968</u>		<u>100.00%</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Interest Rate Risk (Weighted Average)

The investment policies for the pension funds do not place limits on investment maturities. The weighted average maturity of the pension funds' investments was 6.5 at year end. As a result the pension funds are exposed to the risk of fair value losses arising from increasing interest rates.

Credit Risk (Credit Rating)

The investment policies of the pension funds limit investments to the top four ratings of a nationally recognized rating agency. U.S. Treasuries were rated AAA, U.S. agencies were rated AAA, corporate bonds were rated BBB or above; commercial paper was rated A1-P1; the money market funds were rated A.

Concentration of Credit Risk (Percent of Portfolio)

The investment policy of the General Employees Retirement Fund limits investment in any one issuer to 5 percent of the total portfolio, and for the Firefighters and Police Officers Pension Fund to 10 percent of the total portfolio. No funds had investments in a single issuer that exceeded 5 percent of the total portfolio.

Foreign Currency Risk

The Firefighters and Police Officers Pension Fund's investment policy permits investments of up to 10 percent of the total portfolio in foreign currency-denominated investments. The fund's current position is 6.21 percent in equity co- mingled funds.

NOTE 5 - SECURITIES LENDING

The City does securities lending of its operating portfolio. The City has a contract with its custodian that allows the custodian, acting as agent, to lend securities held in the operating portfolio. The transaction is perceived to be invisible to the City's investment staff because all custodial statements reflect lend securities as being held in the custodial accounts.

Under the City's contract with Wachovia Bank N.A., using its wholly owned subsidiary Met West, Wachovia lends the City securities and receives 102% of the then market value in cash from the borrowing institution. The cash is then invested, on a matched basis, in short-term investments authorized by the City's investment policy. If the borrowing institution fails to return the security, upon request, the custodian will utilize the collateral to replace the security borrowed. If the collateral sold is not sufficient to replace the security, Wachovia Bank pays the difference. The collateral investment earnings, during the borrowing period, is rebated back to the borrowing institution, less the securities lending interest spread which is shared 60/40% by the City and Wachovia Bank. As of September 30, 2005, the City has incurred no loss through its participation in this program and Wachovia Bank has not been required to pay on failed transactions.

For accounting purposes, the Statement of Activities reflects the collateral investment interest income, borrowing rebate and expenses associated with securities lending as do the fund financial statements. Under the securities lending contract, the City does not have the ability to pledge or sell the collateral investments unless the borrowing institution defaults on the lending transaction, therefore the collateral investments and corresponding lending liability are not shown on the Statement of Net Assets.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 5 - SECURITIES LENDING – (Continued)

The following represent the balances of the securities lending transactions at the balance sheet date, September 30, 2005.

Lender	Number of Loans Outstanding	Securities Loaned	Market Value of Securities Loaned with Accrued Interest	Market Value of Collateral	Excess Collateral
Barclays Capital Inc.	1	FHLB	\$ 3,889,635	\$ 3,986,608	\$ 96,973
Citigroup Global Markets Inc.	1	FHLB	4,197,377	4,302,810	105,433
C S First Boston LLC	4	FHLB	14,704,785	15,000,000	295,215
Deutsche Bank Securities Inc.	3	FHLMC & FHLB	9,877,278	10,299,341	422,063
Goldman, Sachs & Co	11	FHLMC, FHLB & FNMA	54,847,541	56,593,750	1,746,209
J. P. Morgan Securities Inc.	1	FHLB	3,817,134	3,913,400	96,266
Merrill Lynch	3	FNMA	14,880,855	15,356,250	475,395
Morgan Stanley & Co., Inc.	3	FHLB	14,490,166	15,000,000	509,834
UBS Securities LLC	3	FHLMC&FNMA	<u>14,941,750</u>	<u>15,387,500</u>	<u>445,750</u>
TOTAL			<u>\$ 135,646,520</u>	<u>\$ 139,839,659</u>	<u>\$ 4,193,138</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 6 - RECEIVABLES

Receivables as of year end for the City's individual major funds and nonmajor funds, and internal service funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows (in thousands of dollars):

<u>Governmental Activities</u>	<u>General</u>	Utility <u>Tax</u>	LOSSI <u>(*)</u>	<u>Grants</u>	Nonmajor <u>Governmental</u>	Internal <u>Service</u>	<u>Total</u>
Accounts	\$ 1,002	\$ 167	\$ 0	\$ 0	\$ 528	\$ 911	\$ 2,608
Taxes	0	4,333	0	0	1,821	0	6,154
Accrued Interest	193	0	264	0	999	281	1,737
Notes	3,118	0	0	3,532	1,803	0	8,453
Assessments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>545</u>	<u>0</u>	<u>545</u>
Total Governmental	4,313	4,500	264	3,532	5,696	1,192	19,497
Less: Allowance for uncollectible	<u>0</u>	<u>0</u>	<u>0</u>	<u>128</u>	<u>50</u>	<u>0</u>	<u>178</u>
Net Governmental Receivable	<u>\$ 4,313</u>	<u>\$ 4,500</u>	<u>\$ 264</u>	<u>\$ 3,404</u>	<u>\$ 5,646</u>	<u>\$ 1,192</u>	<u>\$ 19,319</u>

* Local Option Sales Surtax Improvement

	Water & Wastewater <u>Utility</u>	Stormwater <u>Utility</u>	<u>Sanitation</u>	Nonmajor Enterprise <u>Funds</u>	<u>Total</u>
Business-type Activities					
Accounts	\$ 5,512	\$ 3,030	\$ 1,593	\$ 503	\$ 10,638
Accrued Interest	1,052	41	65	0	1,158
Unbilled Revenues	<u>2,186</u>	<u>0</u>	<u>104</u>	<u>0</u>	<u>2,290</u>
Total Business - Type	<u>\$ 8,750</u>	<u>\$ 3,071</u>	<u>\$ 1,762</u>	<u>\$ 503</u>	<u>14,086</u>
Net Total Receivable					<u>\$ 33,405</u>

Amounts actually written off during the year were \$30,467 for the General Fund, \$20,795 for the Grants Fund, \$184,846 for the nonmajor Governmental Funds, \$173,229 for the Water and Wastewater Utility Fund, \$12,233 for the Stormwater Utility Fund, and \$114,791 for the Sanitation Fund.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 6 - RECEIVABLES - (Continued)

The City had notes receivable in the following funds at September 30, 2005. No allowance for uncollectible notes has been recorded in the fund financial statements since the amounts are considered to be fully collectible.

GENERAL FUND

0.00%	Mortgage note from St. Petersburg Redevelopment LTD for the sale of real estate, due as a percentage of profits or upon resale.	\$ 1,450,000
	Note from Florida International Museum Inc. for rent of building - monthly payment based on a percentage of admissions.	317,845
	Note from Neighborhood Lending Partners of West Florida for construction and leasehold improvements to the Tangerine Plaza Shopping Center. Monthly principal payments of \$4,167 for twenty-seven years begin July 15, 2015.	<u>1,350,000</u>
		<u>\$ 3,117,845</u>

SPECIAL REVENUE FUNDS

Local Housing Assistance Trust

0.00%	Mortgage notes of various dates from individuals for residential rehabilitation and home buyer assistance loans from the State Housing Initiative Program, due in various monthly payments, through 2027.	\$ <u>1,652,117</u>
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Grants Fund

Various %	Mortgage notes of various dates for residential rehabilitation and home buyer assistance loans from the Community Development Block Grants, due in various monthly payments, interest through 2033.	636,248
Various %	Mortgage notes of various dates for residential rehabilitation, acquisition and new 6.00% construction loans from the Home Grants due in monthly payments including interest through 2033.	<u>2,895,495</u>
		<u>\$ 3,531,743</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

NOTE 6 - RECEIVABLES - (Continued)

CAPITAL PROJECTS FUNDS

Housing Capital Improvement

Various %	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. Includes the Housing Recycling Loan Program which are loans made to investors maturing in 300 days or less.	<u>\$ 150,563</u>
	Total Governmental Notes Receivable	<u>\$ 8,452,268</u>

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, 2005.

ENTERPRISE FUNDS

Water & Wastewater Utility

3.43 - 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.	<u>\$ 22,676,046</u>
	Total Enterprise Funds	22,676,046
	Less: Current Portion	<u>572,141</u>
	Total Non-Current Portion	<u>\$ 22,103,905</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2005 is presented in the following schedules:

Increases and decreases in accumulated depreciation include amounts related to transferred assets which are transferred at cost with the related accumulated depreciation for each asset.

Primary Government

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 134,305,081	\$ 4,632,412	\$ 360,128	\$ 138,577,365
Construction in progress	<u>49,467,263</u>	<u>39,847,672</u>	<u>20,717,061</u>	<u>68,597,874</u>
Total Capital Assets, not being depreciated	<u>183,772,344</u>	<u>44,480,084</u>	<u>21,077,189</u>	<u>207,175,239</u>
Capital assets, being depreciated:				
Buildings and systems	317,638,725	3,416,772	0	321,055,497
Improvements and Infrastructure	271,919,008	12,679,293	0	284,598,301
Machinery and equipment	<u>132,727,042</u>	<u>11,604,456</u>	<u>5,387,418</u>	<u>138,944,080</u>
Total Capital Assets being depreciated	<u>722,284,775</u>	<u>27,700,521</u>	<u>5,387,418</u>	<u>744,597,878</u>
Less accumulated depreciation for:				
Buildings and systems	103,103,603	7,874,622	0	110,978,225
Improvements and Infrastructure	150,183,705	8,986,321	0	159,170,026
Machinery and equipment	<u>91,131,687</u>	<u>11,912,753</u>	<u>4,342,186</u>	<u>98,702,254</u>
Total accumulated depreciation	<u>344,418,995</u>	<u>28,773,696</u>	<u>4,342,186</u>	<u>368,850,505</u>
Total Capital Assets, being depreciated, net	<u>377,865,780</u>	<u>(1,073,175)</u>	<u>1,045,232</u>	<u>375,747,373</u>
Governmental activities Capital Assets, net	<u>\$ 561,638,124</u>	<u>\$43,406,909</u>	<u>\$22,122,421</u>	<u>\$ 582,922,612</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 8 - CAPITAL ASSETS - (Continued)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type Activities:				
Capital assets, not being depreciated:				
Land	\$ 12,318,292	\$ 0	\$ 0	\$ 12,318,292
Construction in progress	<u>77,253,293</u>	<u>33,547,995</u>	<u>61,382,266</u>	<u>49,419,022</u>
Total Capital assets, not being depreciated	<u>89,571,585</u>	<u>33,547,995</u>	<u>61,382,266</u>	<u>61,737,314</u>
Capital assets, being depreciated:				
Buildings and system	17,280,181	169,585	0	17,449,766
Improvements other than buildings	24,978,801	11,616,348	0	36,595,149
Machinery and equipment	42,545,910	5,007,070	700,269	46,852,711
Utility Systems	<u>594,805,246</u>	<u>48,328,253</u>	<u>0</u>	<u>643,133,499</u>
Total Capital assets, being depreciated	<u>679,610,138</u>	<u>65,121,256</u>	<u>700,269</u>	<u>744,031,125</u>
Less accumulated depreciation for:				
Buildings and system	7,135,341	658,740	0	7,794,081
Improvements other than buildings	16,192,399	713,564	0	16,905,963
Machinery and equipment	34,735,630	3,756,110	678,497	37,813,243
Utility Systems	<u>199,129,675</u>	<u>13,890,684</u>	<u>0</u>	<u>213,020,359</u>
Total accumulated depreciation	<u>257,193,045</u>	<u>19,019,098</u>	<u>678,497</u>	<u>275,533,646</u>
Total Capital Assets, being depreciated, net	<u>422,417,093</u>	<u>46,102,158</u>	<u>21,772</u>	<u>468,497,479</u>
Business-type activities Capital Assets, net	<u>\$ 511,988,678</u>	<u>\$ 79,650,153</u>	<u>\$ 61,404,038</u>	<u>\$ 530,234,793</u>

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

Governmental activities:	
General Government	\$ 8,036,293
Community and Economic Development	1,401,320
Public safety - Police	1,720,751
Public safety - Fire and EMS	1,013,896
Public Works, including depreciation of general infrastructure assets	6,391,461
Recreation and Culture	<u>10,209,975</u>
Total depreciation expense - governmental activities	<u>\$ 28,773,696</u>

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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type activities:

Water & Wastewater	\$ 12,512,321
Stormwater	2,430,959
Sanitation	2,805,505
Other nonmajor business-type funds	<u>1,270,313</u>
Total depreciation expense - business-type activities	<u><u>\$ 19,019,098</u></u>

Construction Commitments

Outstanding construction contract and special order equipment commitments and estimated costs to complete projects in progress in excess of construction contracts at September 30, 2005, are summarized as follows:

	<u>Construction Contracts</u>	<u>Estimated Additional Costs to Complete Projects in Progress</u>
CAPITAL PROJECTS FUNDS		
General Capital Improvement	\$ 4,582,830	\$ 19,796,706
Local Option Sales Surtax Improvement	10,394,073	17,747,044
Housing Improvement	1,559	1,397,509
Local Option Facilities improvement	0	4,470,123
Transportation Improvement	58,218	9,313,549
Economic Development Industrial Park	119,747	0
Downtown Parking	<u>0</u>	<u>60,000</u>
Total Capital Projects Funds	<u><u>\$ 15,156,427</u></u>	<u><u>\$ 52,784,931</u></u>
ENTERPRISE FUNDS		
Water and Wastewater Utility	\$ 7,869,424	\$ 33,894,647
Stormwater Utility	423,838	16,758,838
Sanitation	96,795	0
Other nonmajor business-type funds	<u>238,102</u>	<u>2,254,286</u>
Total Enterprise Funds	<u><u>\$ 8,628,159</u></u>	<u><u>\$ 52,907,771</u></u>
INTERNAL SERVICE FUNDS		
Equipment Maintenance	<u><u>\$ 68,926</u></u>	<u><u>\$ 68,926</u></u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

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 Positive (Negative)
Revenues	\$ 14,000	\$ 6,500	\$ (7,500)
Expenditures	<u>5,000</u>	<u>175</u>	<u>4,825</u>
Excess of Expenditures Over Revenues	9,000	6,325	(2,675)
Budgetary Fund Balance October 1, 2004	12,736	12,736	0
Reserve for Encumbrances - October 1, 2004	<u>0</u>	<u>0</u>	<u>0</u>
September 30, 2005	<u>\$ 21,736</u>	\$ 19,061	<u>\$ (2,675)</u>
Reconciliation of Budget to GAAP Reporting Reserve for Encumbrances - September 30, 2005		<u>0</u>	
Fund Balance September 30, 2005		<u>\$ 19,061</u>	

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of due to/from other funds as of September 30, 2005, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
	Grants	\$ 312,000
	Nonmajor Governmental Funds	<u>298,000</u>
General		<u>\$ 610,000</u>

The purpose of interfund receivable and payables is to meet temporary cash flow requirements and timing between receiving and recognizing certain revenues.

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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (Continued)

The composition of interfund transfers during fiscal year 2005 are as follows:
 Interfund Transfers of Financial Assets:

Transfer out:	Transfer In:					Total
	<u>General Fund</u>	<u>Local Option Sales Surtax Improvement</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Nonmajor Business- Type</u>	
General Fund			\$ 14,815,384	\$ 118,000	\$ 392,000	\$ 15,325,384
Utility Tax	\$ 31,583,218		2,754,481	0	0	34,337,699
Local Option Tax	2,394,531	\$ 23,225,185	0	0	0	25,619,716
Excise Tax	13,419,346	0	8,455,269	0	0	21,874,615
Local Option Sales Surtax Improvement	0	0	1,160,000	0	0	1,160,000
Nonmajor Governmental	15,991,872	0	16,911,907	0	0	32,903,779
Water & Wastewater	7,654,308	0	0	0	0	7,654,308
Stormwater	1,445,628	0	0	0	0	1,445,628
Sanitation	2,402,544	0	0	0	0	2,402,544
Nonmajor Business-type	578,532	0	0	0	0	578,532
Internal Service	<u>0</u>	<u>0</u>	<u>95,580</u>	<u>0</u>	<u>0</u>	<u>95,580</u>
Total Transfers Out	<u>\$ 75,469,979</u>	<u>\$ 23,225,185</u>	<u>\$ 44,192,621</u>	<u>\$ 118,000</u>	<u>\$ 392,000</u>	<u>\$143,397,785</u>

Interfund Transfers of Capital Assets:

Transfer Out:	Transfer In:			Total
	<u>Water & Wastewater</u>	<u>Stormwater</u>	<u>Internal Service</u>	
General Capital Assets	<u>\$ 6,482</u>	<u>\$ 61,949</u>	<u>\$ 1,292,534</u>	<u>\$ 1,360,965</u>
Total Transfers during fiscal year 2005				<u>\$144,758,750</u>

Capital assets are transferred with accumulated depreciation.

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS - (Continued)

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.

NOTE 11 - OPERATING LEASE OBLIGATIONS

The City has entered into several non-cancelable operating lease agreements for equipment which end on various dates through 2010, with an option for an additional five year term. The cost for the fiscal year was \$341,693. The following is a schedule by years of the future rentals on non-cancelable leases as of September 30, 2005:

Fiscal Year Ending September 30:	2006	\$ 273,103
	2007	190,856
	2008	82,381
	2009	57,522
	2010	<u>7,800</u>
Total Minimum Future Rentals		<u>\$ 611,662</u>

NOTE 12 - LONG - TERM OBLIGATIONS

The following is a summary of changes in long-term liabilities of the City for the fiscal year ended September 30, 2005. Compensated absences are paid from the fund in which they occur. (In thousands of dollars)

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds and Notes Payable:					
Revenue Bonds	\$ 165,783	\$ 1,413	\$ (13,780)	\$ 153,416	\$ 14,295
Notes	<u>38,768</u>	<u>16,527</u>	<u>(4,720)</u>	<u>50,575</u>	<u>4,600</u>
	204,551	17,940	(18,500)	203,991	18,895
Unamortized premiums, discounts and deferred amounts on refunding for Bonds	2,995	0	(663)	2,292	0
Unamortized premiums, discounts and deferred amounts on refunding for Notes	<u>(450)</u>	<u>0</u>	<u>46</u>	<u>(404)</u>	<u>0</u>
Total Bonds and Notes Payable	<u>207,056</u>	<u>17,940</u>	<u>(19,117)</u>	<u>205,879</u>	<u>18,895</u>
Claims and judgments	17,513	6,750	(5,399)	18,864	4,346
Compensated absences	<u>10,593</u>	<u>2,406</u>	<u>(923)</u>	<u>12,076</u>	<u>992</u>
Governmental activity Long-term liabilities	<u>\$ 235,162</u>	<u>\$ 27,096</u>	<u>\$ (25,439)</u>	<u>\$ 236,819</u>	<u>\$ 24,233</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

On May 10, 2005, the City borrowed \$16,000,000 from the Sunshine State Governmental Financing Commission (SSGFC). The loan proceeds are being used to renovate the downtown Mahaffey Theatre Performing Arts facility. The loan is a portion of the SSGFC tax exempt commercial pool loan program. The loan is interest only on a monthly basis until 2013 at which time the City intends to refinance using a fixed rate tax exempt bond issue.

The ending balance for Governmental Activities Revenue bonds does not include accreted interest yet to be recognized totaling \$ 2,873,667.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type Activities:					
Bonds and Notes Payables:					
Revenue Bonds	\$ 138,090		\$ (3,540)	\$ 134,550	\$ 3,690
Notes (SRF) - completed	<u>14,960</u>	<u>\$ 10,911</u>	<u>(1,186)</u>	<u>24,685</u>	<u>1,183</u>
	153,050	10,911	(4,726)	159,235	4,873
Unamortized discount and deferred amount on refunding	<u>(2,370)</u>	<u>0</u>	<u>237</u>	<u>(2,133)</u>	<u>0</u>
Total Bonds and Notes Payable	<u>150,680</u>	<u>10,911</u>	<u>(4,489)</u>	<u>157,102</u>	<u>4,873</u>
Notes (SRF) - pending	10,890	0	(10,890)	0	0
Compensated absences	<u>2,780</u>	<u>490</u>	<u>(292)</u>	<u>2,978</u>	<u>292</u>
Business-type activity Long-term liabilities	<u>\$ 164,350</u>	<u>\$ 11,401</u>	<u>\$ (15,671)</u>	<u>\$ 160,080</u>	<u>\$ 5,165</u>

Bonds and Notes Payable by Major and non-major businesses:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Water and Wastewater Utility	\$ 129,172	\$ 10,911	\$ (4,191)	\$ 135,892	\$ 4,308
Stormwater Utility	20,478	0	0	20,478	0
Non-major business activities	<u>3,400</u>	<u>0</u>	<u>(535)</u>	<u>2,865</u>	<u>565</u>
	153,050	10,911	(4,726)	159,235	4,873
Unamortized discounts and deferred amount on refunding	<u>(2,370)</u>	<u>0</u>	<u>237</u>	<u>(2,133)</u>	<u>0</u>
Total Bonds and Notes payable	<u>\$ 150,680</u>	<u>\$ 10,911</u>	<u>\$ (4,489)</u>	<u>\$ 157,102</u>	<u>\$ 4,873</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Since 1998, the City has requested and received loans from the State of Florida Revolving loan (SRF) fund of the State Department of Environmental Protection. The loans represent direct grants from the Federal Governments Clean Water Act or bonded debt proceeds from the State of Florida Department of Environmental Protection. The State requires semi-annual principal and interest payments over twenty years beginning two years after State loans approval. The following loans, interest rates, and maturities are included in the business type activities notes payable:

<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>
Apr. 15 1998	March 15, 2001	CS120521010	\$ 13,227,511	\$ 11,007,592	3.11% to 3.18%	09/15/20
May 4, 2000	Sept. 15, 2003	CS120521020	3,587,494	3,249,130	3.33%	11/15/22
Nov. 27, 2001	Sept. 15, 2003	CS12052104P	445,776	412,254	3.05%	09/15/23
Nov. 8, 2001	Sept. 5, 2004	CS120521030	5,851,730	5,439,075	2.93% to 3.05%	09/15/23
Dec. 5, 2001	January 15, 2004	CS12052105A	392,384	339,884	2.96%	01/15/24
Dec. 5, 2003	January 15, 2004	CS12052105L	<u>4,519,117</u>	<u>4,237,132</u>	2.96%	01/15/24
			<u>\$ 28,024,012</u>	<u>\$ 24,685,067</u>		

On December 15, 2005, the City issued \$50,520,000 in Public Utility Revenue Bonds, Series 2005. Bond proceeds will be used to fund capital improvements in the Water Resources department. The bond was competitively bid with a true interest cost of 4.7% over thirty years. This issue is not being included in the business-type activity disclosure at September 30, 2005.

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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Debt Service requirements at September 30, 2005, were as follows (amounts in 000's):

Year End	<u>Governmental Activities</u>			
	<u>Revenue Bonds</u>		<u>Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
<u>September 30,</u>				
2006	\$ 13,920	\$ 6,118	\$ 5,282	\$ 2,059
2007	14,275	5,746	5,255	1,881
2008	13,560	5,351	3,382	1,714
2009	15,265	4,987	1,215	1,560
2010	18,835	4,378	2,254	1,502
2011 - 2015	55,290	12,066	16,841	5,747
2016 - 2020	15,636	3,322	14,514	1,459
2021 - 2025	8,145	1,295	2,332	13
2026	<u>1,365</u>	<u>32</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 156,290</u>	<u>\$ 43,295</u>	<u>\$ 51,075</u>	<u>\$ 15,935</u>

Year End	<u>Business Type Activities</u>				<u>Nonmajor Business</u>			
	<u>Water and Wastewater Utility</u>		<u>Stormwater Utility</u>		<u>Activity</u>			
	<u>Revenue Bonds</u>		<u>Notes</u>		<u>Revenue Bonds</u>		<u>Revenue Bonds</u>	
<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 3,125	\$ 5,106	\$ 1,182	\$ 761	\$ 0	\$ 1,046	\$ 565	\$ 131
2007	2,258	4,998	1,220	724	72	1,044	350	106
2008	2,349	4,906	1,258	685	76	1,041	370	88
2009	2,447	4,807	1,297	646	78	1,038	390	69
2010	2,544	4,706	1,338	605	86	1,031	415	49
2011 - 2015	14,484	21,702	7,280	2,367	466	5,111	775	37
2016 - 2020	16,798	17,913	8,327	1,160	1,977	4,949	0	0
2021 - 2025	15,127	14,059	2,783	154	8,843	3,450	0	0
2026 - 2030	21,915	9,647	0	0	8,880	916	0	0
2031 - 2034	<u>30,160</u>	<u>2,840</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 111,207</u>	<u>\$ 90,684</u>	<u>\$ 24,685</u>	<u>\$ 7,102</u>	<u>\$ 20,478</u>	<u>\$ 19,626</u>	<u>\$ 2,865</u>	<u>\$ 480</u>

Governmental activities revenue bond principal includes accreted interest to maturity.

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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

The following is a summary of bonds and notes (excluding pending loans) interest requirements to maturity:

	<u>Original Issue Par</u>	<u>Debt Payable 09/30/05</u>	<u>Accreted Interest To Maturity</u>	<u>Interest Requirements To Maturity</u>	<u>Total</u>
Revenue Bonds					
2001 Public Improvement Refunding Revenue	\$ 18,665,000	\$ 18,665,000	\$ 0	\$ 5,165,125	\$ 23,830,125
1992 Public Improvement Revenue	44,768,369	19,724,293	2,415,707	0	22,140,000
1990 Utility Tax Refunding Revenue	16,865,211	2,932,040	457,960	0	3,390,000
2002 Utility Tax Refunding Revenue	16,125,000	10,580,000	0	1,672,750	12,252,750
1993 Excise Tax Secured Revenue	114,305,000	70,680,000	0	21,162,637	91,842,637
2003 Professional Sports Facility	27,185,000	26,210,000	0	13,265,781	39,475,781
1997 Capital Improvement Variable Rate Demand Bonds	13,895,000	7,490,000	0	2,509,500	9,999,500
1999A Public Utility Refunding Revenue	51,195,000	51,195,000	0	49,066,070	100,261,070
1999B Public Utility Refunding Revenue	49,715,000	35,490,000	0	12,695,621	48,185,621
2003 Public Utility Revenue	<u>45,000,000</u>	<u>45,000,000</u>	<u>0</u>	<u>48,548,146</u>	<u>93,548,146</u>
Total Revenue Bonds	<u>397,718,580</u>	287,966,333	2,873,667	154,085,630	444,925,630
Plus: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		<u>158,262</u>	<u>0</u>	<u>0</u>	<u>158,262</u>
Net Revenue Bonds		<u>288,124,595</u>	<u>2,873,667</u>	<u>154,085,630</u>	<u>445,083,892</u>
Notes:					
1996 FFGFC Note	22,810,000	1,500,000	0	242,115	1,742,115
1997 FFGFC Note	6,350,000	625,000	0	49,460	674,460
1998 FFGFC Note	11,295,000	6,385,000	0	574,645	6,959,645
2001 FFGFC Note	17,840,000	17,470,000	0	6,692,480	24,162,480
1999 Sunshine State Notes	12,180,000	4,095,000	0	415,897	4,510,897
2005 Sunshine State Notes	16,000,000	16,000,000	0	6,440,000	22,440,000
State Revolving Loans	28,024,012	24,685,068	0	7,101,852	31,786,920
2000 HUD Section 108 Note	4,000,000	4,000,000	0	1,520,915	5,520,915
2003 St. Petersburg College Note	<u>2,000,000</u>	<u>500,000</u>	<u>0</u>	<u>20,000</u>	<u>520,000</u>
Total Notes	<u>120,499,012</u>	75,260,068	0	23,057,364	98,317,432
Less: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		<u>(404,329)</u>	<u>0</u>	<u>0</u>	<u>(404,329)</u>
Total Net Notes		<u>74,855,739</u>	<u>0</u>	<u>23,057,364</u>	<u>97,913,103</u>
Total all Bonds & Notes		<u>\$ 362,980,334</u>	<u>\$ 2,873,667</u>	<u>\$ 177,142,994</u>	<u>\$542,996,995</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Bonds outstanding at September 30, 2005, mature in varying amounts during succeeding fiscal years through 2034. Interest rates are as follows: 2.0% to 7.2% on Revenue Bonds, and 2.67% to 3.80% on Notes Payable. All variable rate debt interest requirements were projected using the applicable interest rate at year end through the final maturity date. Variable interest rates used varied from 2.63% to 4.07%.

The authorizing resolutions for the 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, 2005, the City believes it is in compliance with these requirements.

The City's 1997 Capital Improvement Variable Rate Demand Bonds (CIVRD), and the 1999 and 2005 Sunshine State Governmental Financing Commission Note (SSGFC) are multi-model variable rate debt; thus, requiring both supporting reimbursement (letter or line of credit) and re-marketing agreements.

The following schedule reflects the principal elements of each program:

Variable Rate Programs Supporting Agreements

<u>Reimbursement Agreements</u>	<u>1997 Capital Improvement Variable Rate Demand Bonds</u>	<u>Sunshine State Governmental Financing Pool</u>
General:	Tax Exempt	Commercial Paper Program - 3
Term	20 years	Multiple Facilities: 364 Day (BNS) 3 years (JP Morgan) 3 years (SunTrust) 5 years (Dexia) 10 years (DEPFA)
Type	Line	Line of Credit - Loans (Insured & Uninsured)
Current Final	10/17	Multiple Facilities: 09/01/06 (BNS) 12/31/15 (DEPFA) 10/11/10 (Dexia) 09/16/07 (JP Morgan) 04/02/07 (SunTrust)
Subsequent Renewals	Not applicable	Varies by Facility
Renewal Window	Not applicable	6 Months to One Year Prior to Expiration/Negotiable
Fee Structure:		
Annual Rate	25 basis points-line	13 to 20 Basis Points - (payable quarterly in arrears)
Base	Bonds Outstanding 50 days @ 13%	Par Amount of Notes Outstanding
Effective Rate		13.2 Basis Points Blended Rate (as of 9/30/05)
Tender Draw Rate	Prime	Bank Prime Rate + 0.5% - 3.0%
Default Draw Rate	Prime & 100 basis points	Bank Prime Rate + 3.0% - 4.0%
Banks:		
Name	SunTrust Bank	The Bank of Nova Scotia (BNS) DEPFA Bank, plc (DEPFA) Dexia Credit Local (Dexia) JP Morgan/Chase (JP Morgan) Sun Trust Bank (SunTrust)

(1) The commission's potential to default is minimal and a default on the part of a loan participant can only cause an acceleration of that particular loan. There is no cross default provision between participants.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

	1997 Capital Improvement Variable Rate Demand Bonds	Sunshine State Governmental Financing Pool Commercial Paper Program
Ratings Moody's / S&P / Fitch	Aa3	Aa3/P-1 / A+/A-1+/AA-/F1+ (BNS) Aa3/P-1 / AA-/A-1+ / AA-/F1+ (DEPFA) Aa2/P-1 / AA/A-1+ / AA+/F1+ (Dexia) Aa2/P-1 / AA/A-1+ / AA+/F1+ (JP Morgan) Aa3/P-1 / A+/A-1+ / A+/F1 (SunTrust)
Participating Bond Insurance Companies	Not applicable	Ambac Assurance Corporation CIFG Assurance North America, Inc. Financial Guaranty Insurance Company MBIA Insurance Corporation Financial Security Assurance Inc. XL Capital Assurance, Inc.
Remarketing Agent Agreements:		
Agent/Dealer	SunTrust Bank	Goldman Sachs & Co., Lehman Brothers, Inc., Citigroup Global Markets, Inc.
Base Fee	12.5 basis points	5.0 to 8.0 Basis Points Tax Exempt - Taxable
Performance Fee	None	None
Base	Bonds Outstanding	Notes Outstanding

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.

The arbitrage rebate liability at September 30, 2005, is as follows:

Governmental Activities	<u>\$ 58,743</u>
Business-type Activities	
Water and Wastewater Utility	0 (1)
Stormwater Utility	0 (1)
Nonmajor Enterprise Funds	<u>0</u>
Total Business-type activities	<u>0</u>
Total	<u>\$ 58,743</u>

1) The five year arbitrage rebate payment was made on 08/17/04, no additional liability had accrued at 9/30/05.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005

NOTE 14 - CONDUIT DEBT OBLIGATION

From time to time, 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, financial and the net operating revenues of the borrowing entity and are payable solely from these sources. 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, 2005, there were seventeen series of Private Activity Bonds outstanding that were issued prior to July 1, 1995 and four issues totaling \$161 million issued since then. The aggregate principal amount of all Outstanding Private Activity Bonds can not be determined; however, their original issue amounts totaled \$590 million including two refunding issues totaling \$83 million.

NOTE 15 - DEFEASED DEBT

During fiscal years 2004, 2003, and 1984, the City entered into various advance refunding transactions related to certain of its bonded debt. A portion of the proceeds of the refunding bond issues was placed in trust and used to purchase securities of the United States Government and related agencies at various interest rates and maturities sufficient to meet all debt service requirements of the refunded debt. These assets are administered by the trustees and are restricted to use for retirement of the refunded debt. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements.

At September 30, 2005, the following outstanding bonds are considered defeased:

Revenue Bonds:	
Utility Tax Secured - Series 1978	\$ 17,770,000
Professional Sports Facility Sales Tax	
Revenue Bonds, Series 1995	24,065,000
Notes: FFGFC - Series 1996	<u>2,610,000</u>
Total Governmental Activities	<u>\$ 44,445,000</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 16 - NET INTEREST EXPENSE ON DEBT

The computation of interest expense on debt in the Enterprise Funds, net of capitalized interest at September 30, 2005, is shown below:

	Water and Wastewater <u>Utility</u>	<u>Stormwater</u>	<u>Airport</u>	<u>Golf Courses</u>
Interest Paid on Bonds	\$ 5,229,620	\$ 1,045,736	\$ 15,769	\$ 7,419
Less:				
Accrued Interest 9/30/04	(2,644,860)	(522,868)	0	0
Plus:				
Accrued Interest 9/30/05	2,675,458	522,868	0	0
Interest Expense State Revolving Loan	797,226		0	0
Amortization of Deferred Loss on Bond Refunding	<u>221,511</u>	<u> </u>	<u>0</u>	<u>0</u>
Interest Cost	6,278,955	1,045,736	15,769	7,419
Less:				
Capitalized Interest	<u>(2,541,051)</u>	<u>(990,000)</u>	<u>0</u>	<u>0</u>
Net Interest Expense on Debt	<u>\$ 3,737,904</u>	<u>\$ 55,736</u>	<u>\$ 15,769</u>	<u>\$ 7,419</u>

NOTE 17 - 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 bond current debt service account	\$ 6,328,215
Revenue bond future debt service account	1,038,721
Bond proceeds for construction	5,237,727
Available for all other qualified purposes	<u>4,204,188</u>
Total	<u>\$16,808,851</u>

NOTE 18 - DEFICIT NET ASSETS

At September 30, 2005, the Redevelopment Fund, has an accumulated deficit of \$52,729. The deficit will be eliminated through increases in tax increment revenues.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 19 - RISK MANAGEMENT

The City's self insurance programs and health 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 claims have not exceeded commercial insurance coverages in any of the past three years.

General and Automotive Liability:

State statutes limit municipal liability associated with tort actions to \$100,000 per claim and \$200,000 per occurrence except under certain circumstances. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2005.

Property Damage:

The City has established an account to fund the deductible clause of the property insurance policies that cover City facilities on a blanket basis.

Workers' Compensation:

The City is self insured for all Workers' Compensation benefits as defined by State Statute which are paid from a Sinking Fund. 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. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2005.

Group Medical:

The City is fully insured for group medical coverage. On April 1, 1988, the City contracted with Humana Health Insurance Co. for the group medical insurance plan. As an alternative to this plan, City employees can participate in one of two health maintenance organizations (HMO) through Humana. The plans are funded by employee contributions and charges to the various funds of the City based on employee participation.

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. Also, the City 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 4.5%. Non incremental claims adjustment expenses are included as part of the liability for claims. Estimated claims liability for all self-insured risks are reported as accrued claims in the Insurance Fund which includes an estimate for incurred but not reported claims.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 19 - RISK MANAGEMENT - (Continued)

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.

	<u>Workers'</u> <u>Compensation</u>	<u>Auto &</u> <u>General Liability</u>	<u>Total</u>
Balance 9/30/03	\$ 10,249,000	\$ 6,553,628	\$ 16,802,628
Paid Claims	(3,547,920)	(816,675)	(4,364,595)
Incurred Claims	<u>4,931,920</u>	<u>143,047</u>	<u>5,074,967</u>
Balance 9/30/04	11,633,000	5,880,000	17,513,000
Paid Claims	(2,166,258)	(609,832)	(2,776,090)
Incurred Claims	<u>2,869,258</u>	<u>1,257,832</u>	<u>4,127,090</u>
Balance 9/30/05	<u>\$ 12,336,000</u>	<u>\$ 6,528,000</u>	<u>\$ 18,864,000</u>

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS

A. DEFINED BENEFIT PLANS

The City maintains three separate single employer defined benefit retirement systems (General Employees, Police and Fire) covering full-time City employees which 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. Each of the three systems has a prior plan (prior to January 1, 1964, for General Employees and October 1, 1970, for Police and Fire) which does not include Social Security coverage and a supplemental plan which provides for Social Security coverage after the previously noted dates. There are no active employees in the prior plans. Each retirement system has a board of trustees which administer the systems. 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. Management employees have the option of a defined contribution plan under ICMA Retirement Corporation in lieu of membership in the General Employees' Retirement System.

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - (Continued)

The following two statements reflect the Plan Net Assets and Changes in Plan Net Assets for each of the three pension plans for the year ended September 30, 2005.

	<u>Employees Retirement Fund</u>	<u>Fire Pension Fund</u>	<u>Police Pension Fund</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents				
Checking Account	\$ 17,150	\$ 28,221	\$ 5,085	\$ 50,456
Trustee Accounts	<u>13,452,854</u>	<u>2,569,998</u>	<u>7,098,273</u>	<u>23,121,125</u>
Total Cash and Cash Equivalents	<u>13,470,004</u>	<u>2,598,219</u>	<u>7,103,358</u>	<u>23,171,581</u>
Receivables				
Unsettled Investment Sales	430,658	1,114,853	1,275,453	2,820,964
Interest and Dividends	<u>1,134,447</u>	<u>687,838</u>	<u>921,745</u>	<u>2,744,030</u>
Total Receivables	<u>1,565,105</u>	<u>1,802,691</u>	<u>2,197,198</u>	<u>5,564,994</u>
Investments, at Fair Value				
Government Securities	44,403,692	13,912,417	40,795,616	99,111,725
Corporate Bonds	41,630,775	37,073,292	26,498,528	105,202,595
Common and Preferred Stock	<u>119,287,472</u>	<u>90,661,629</u>	<u>165,987,966</u>	<u>375,937,067</u>
Total Investments	<u>205,321,939</u>	<u>141,647,338</u>	<u>233,282,110</u>	<u>580,251,387</u>
TOTAL ASSETS	<u>220,357,048</u>	<u>146,048,248</u>	<u>242,582,666</u>	<u>608,987,962</u>
LIABILITIES				
Payables				
Deferred Retirement Option Plan	0	1,577,563	0	1,577,563
Unsettled Investment Purchases	<u>1,052,651</u>	<u>556,103</u>	<u>1,003,553</u>	<u>2,612,307</u>
TOTAL LIABILITIES	<u>1,052,651</u>	<u>2,133,666</u>	<u>1,003,553</u>	<u>4,189,870</u>
NET ASSETS				
Held in Trust for Pension Benefits	<u>\$ 219,304,397</u>	<u>\$ 43,914,582</u>	<u>\$ 241,579,113</u>	<u>\$ 604,798,092</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - Continued

	Employees Retirement Fund	Fire Pension Fund (1)	Police Pension Fund (1)	Total
ADDITIONS				
Contributions				
Employer (Charges to Other Funds)	\$ 10,140,142	\$ 10,177,000	\$ 13,012,996	\$ 33,294,138
Employees	1,398,344	1,015,678	1,822,564	4,236,586
State Insurance Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Contributions	<u>11,502,486</u>	<u>11,192,678</u>	<u>14,835,560</u>	<u>37,530,724</u>
Investment Income				
Net Appreciation in Fair Value of Investments	10,523,892	11,797,168	21,205,936	43,526,996
Interest on Investments	4,333,194	2,857,308	3,490,850	10,681,352
Dividends on Stock	<u>2,044,258</u>	<u>1,185,446</u>	<u>2,245,002</u>	<u>5,474,706</u>
Total Investment Income	<u>16,901,344</u>	<u>15,839,922</u>	<u>26,941,788</u>	<u>59,683,054</u>
Less Investment Expense	<u>918,922</u>	<u>425,721</u>	<u>762,388</u>	<u>2,107,031</u>
Net Investment Income	<u>15,982,422</u>	<u>15,414,201</u>	<u>26,179,400</u>	<u>57,576,023</u>
TOTAL ADDITIONS	<u>27,484,908</u>	<u>26,606,879</u>	<u>41,014,960</u>	<u>95,106,747</u>
DEDUCTIONS				
Benefits	8,953,256	9,037,333	12,224,962	30,215,551
Deferred Retirement Option Payouts	1,188,741	0	0	1,188,741
DROP Contributions	0	1,180,183	502,478	1,682,661
DROP Earnings	0	21,742	0	21,742
Refund of Contributions	109,108	0	0	109,108
Interest on Contributions Refunded	710	0	0	710
Administrative Expenses	<u>601</u>	<u>4,517</u>	<u>12,610</u>	<u>17,728</u>
TOTAL DEDUCTIONS	<u>10,252,416</u>	<u>10,243,775</u>	<u>12,740,050</u>	<u>33,236,241</u>
CHANGE IN NET ASSETS	17,232,492	16,363,104	28,274,910	61,870,506
NET ASSETS - OCTOBER	<u>202,071,905</u>	<u>127,551,478</u>	<u>213,304,203</u>	<u>542,927,586</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 219,304,397</u>	<u>\$ 143,914,582</u>	<u>\$ 241,579,113</u>	<u>\$ 604,798,092</u>

(1) Due to a delay in receipt of State of Florida Insurance premium rebate, received in 2006 fiscal year, the City increased employer contributions to the total actuarial requirement for fiscal year 2005.

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - Continued

The General Employees' System pension plan uses the Frozen Entry Age Actuarial Cost Method with allocation of costs done in the aggregate on the basis of earnings. The Fire and Police systems use the Entry Age Actuarial Cost Method, with allocation of future Normal Costs based on earnings and determined by individual. Entry Age is the age nearest the employees' birthday on the first of October following employment. Both methods are intended to provide for a funding of unfunded actuarial accrued liabilities (UAAL) and normal costs as a level percentage of payroll over time. The Annual Pension Cost (APC) that the City records in its funds is the same as the Annual Required Contribution (ARC).

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 the following schedule) for determining the employer contribution required. The total City payroll for the fiscal year ended September 30, 2005, is approximately \$149.7 million. Fire and Police pensions require employee contributions based on a percentage of covered payroll of 7 % and 7% for the supplemental plans, respectively. Participants in the General Employees Pension Plan contribute 2% of the employees covered payroll. The following schedule (derived from the respective actuarial reports and City information) reflects accounting policies, membership and plan provisions, assumptions, liabilities and funding provisions for the three pension systems as of October 1, 2005.

	<u>General Employees</u>	<u>Fire</u>	<u>Police</u>
ACCOUNTING POLICIES & PLAN ASSETS:			
Establishing and Amending Authority:			
Prior	City Ordinance	Special State Act	Special State Act
Supplemental (Supp.)	City Ordinance	City Ordinance	City Ordinance
Basis of Accounting	Accrual	Accrual	Accrual
Asset Valuation:			
Reporting	Market	Market	Market
Actuarial Valuation	(1)	(1)	(2)
Covered Payroll	\$ 68,735,663	\$ 15,991,210	\$ 25,896,163
Internal Loans	None	None	None
Non-government Investment > 5%	None	None	None

(1) Realized and unrealized gains and losses from sale of investments are recognized over 4 years; in order to be used as valuation assets, the smoothed actuarial value must be within the range of 80% to 120% of market value.

(2) A 4 year moving average of the ratio of market to cost values; valuation assets must fall between cost and market; and within 80% to 120% of market.

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - (Continued)

	<u>General Employees</u>		<u>Fire</u>		<u>Police</u>	
	<u>Prior</u>	<u>Supp.</u>	<u>Prior</u>	<u>Supp.</u>	<u>Prior</u>	<u>Supp.</u>
MEMBERSHIP AND PLAN PROVISIONS:						
Actuarial Information						
Members:						
Retirees and Beneficiaries Receiving Benefits	67	937	254	106	258	179
Terminated Employees Entitled to But Not Yet Receiving Benefits	0	232	0	21	0	78
Current Active Employees	0	1,794	0	290	0	509
Drop Plan Participants	<u>0</u>	<u>66</u>	<u>8</u>	<u>25</u>	<u>0</u>	<u>12</u>
Total Members	<u>67</u>	<u>3,029</u>	<u>262</u>	<u>442</u>	<u>258</u>	<u>778</u>
New Entrants Allowed	No	Yes	No	Yes	No	Yes
Normal Retirement Benefit:						
Age	60 ⁽¹⁾	60 ⁽¹⁾	N/A	50	N/A	55
Years of Service (Minimum)	5	10	20	10	20	25
Accrual (years 1 - 20)	2.5%	2.0 % ⁽⁶⁾	2.5%	3.0% ⁽⁸⁾	2.5%	3.0% ⁽⁸⁾
(over 20)	2.5%	2.0 % ⁽⁶⁾	2.0%	3.0% ⁽⁸⁾	2.0%	3.0%
Maximum	100% ⁽²⁾	100% ⁽²⁾	60% ⁽²⁾	100% ⁽²⁾	60% ⁽²⁾	100% ⁽²⁾
Minimum Years to Vest	5	5	12	7	12	7
Disability Benefit:						
Line of Duty	65% ⁽⁵⁾	65% ⁽⁵⁾	60%	60% ⁽⁵⁾⁽⁹⁾	60%	60% ⁽⁵⁾⁽⁹⁾
Non-Line of Duty	30%	30%	50%	⁽⁷⁾	50%	⁽⁷⁾
Annual Automatic Post-Retirement						
Cost-of-Living Benefit (COL)	2% ⁽³⁾	1.5% ⁽³⁾	⁽⁴⁾	Ad Hoc	⁽⁴⁾	2% ⁽³⁾

- Note: (1) Also Age 55 with 25 years or Age 51 with 30 years.
(2) Initial benefit limited to 100% of average final compensation pursuant to F. S. 112.65.
(3) Maximum not to exceed CPI. (Police supp. Plan COL begins at age 60).
(4) In accordance with pay changes of rank held at time of retirement. (Fire prior plan not to exceed top pay of active firefighter).
(5) Benefits reduced by amounts payable under Workers' Compensation as permitted by law.
(6) Increased from 1.5% on March 1, 2000, with an adjusted accrual rate of 2% for active members who vest or retire after March 1, 2000, for the years of membership between March 1, 1980, and March 1, 1990.
(7) Greater of 25% or accrued benefit plus child benefit, if applicable.
(8) 3.0% as of January 1, 2004.
(9) Greater of 60% or accrued benefit.

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - (Continued)

	<u>General Employees</u>		<u>Fire</u>		<u>Police</u>	
	<u>Prior</u>	<u>Supp.</u>	<u>Prior</u>	<u>Supp.</u>	<u>Prior</u>	<u>Supp.</u>
ASSUMPTIONS AND LIABILITIES:						
Actuarial Assumptions:						
Investment Return (net)	8% ⁽¹⁾	8% ⁽¹⁾	8% ⁽¹⁾	8%	8%	8%
Salary Increases	⁽¹⁾ ⁽²⁾	⁽¹⁾ ⁽²⁾	5%	⁽¹⁾ ⁽²⁾	5.5%	⁽¹⁾ ⁽²⁾
Mortality Table	94UPM	94UPM	94UPM	94UPM	94UPM	94UPM
Retirement Age	⁽⁴⁾	⁽⁴⁾	50	50 ⁽⁹⁾	46	48 ⁽¹⁰⁾
Turnover	⁽³⁾	⁽³⁾	⁽³⁾	⁽³⁾	⁽³⁾	⁽³⁾
Retirees Cost of Living						
Increase	2%	1.5%	5%	none	5.5%	2% ⁽⁸⁾
Amortization Method	⁽⁵⁾	⁽⁵⁾	⁽⁵⁾	⁽⁵⁾	⁽⁵⁾	⁽⁵⁾
Amortization Period (in years)	⁽⁶⁾	⁽⁶⁾	⁽⁷⁾	⁽⁷⁾	⁽⁷⁾	⁽⁷⁾

- Note:
- (1) Investment return and salary increases include an implicit inflation rate of 4%.
 - (2) Salary increases of 5.5% to 9.5%, for Police, 4.5% to 8.0% for Fire, & 5.0% to 8.5% for general employees are assigned by attained age.
 - (3) Probabilities of termination of employment are assigned by attained age.
 - (4) Rate of separation from service varies by age.
 - (5) Level percentage of annual valuation payroll.
 - (6) UFAAL at 10/01/80 are being funded over 34 years plus 30 year funding of adjustments to original UFAAL and both are closed periods.
 - (7) UAAL at 10/01/79 are being funded over 40 years plus 30 year funding of adjustments to original UAAL and both are closed periods.
 - (8) At age 60.
 - (9) With 10 years of service at age 50 or 30 years of service at any age.
 - (10) With 25 years or age 55.

Plans covering all eligible employees are contributory.

Historical Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Six year trend information is presented in Required Supplementary Information beginning on page E-1 to assist in your understanding of the progress being made in the funding of the City's pension obligations.

CONTRIBUTIONS REQUIRED AND CONTRIBUTIONS MADE:

Contributions for the fiscal year ended September 30, 2005 were made in accordance with requirements determined by actuarial valuations of the plans as of October 1, 2004. Those amounts and respective percentages of covered annual payroll for this and the six prior years are in the Required Supplementary Information beginning on page E-1.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - (Continued)

The current year and two preceding years contributions for the three pension systems follow.

EMPLOYEE'S RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY						
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Employer Contributions		Actual Employer Contributions	Percentage Contributed
			Amount	% of Payroll		
10/01/04	9/30/05	\$ 68,735,663	\$ 10,104,142	14.7%	\$ 10,104,142	100%
10/01/03	9/30/04	64,935,834	10,000,118	15.4%	10,000,118	100%
10/01/02 (1)	9/30/03	63,044,499	9,704,062	15.4%	9,704,063	100%

(1) Began prospective valuations.

FIRE RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY								
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Contribution Employer & State		Actual Contributions			Percentage Contributions
			Amount	% of Payroll	Employer	State	Total	Employer / State
10/01/04	9/30/05	\$15,991,000	\$10,176,806	63.6%	\$10,177,000	\$ 0 (2)	\$10,177,000	100%
10/01/03	9/30/04	14,943,882	8,471,687	56.7%	7,652,000	1,332,251	8,984,251	100%
10/01/2 (1)	9/30/03	14,232,269	8,021,517	56.4%	7,202,000	820,037	8,022,037	100%

(1) Began prospective valuations.

(2) The State delayed payment of the insurance premium tax until fiscal year 2006, therefore the City was required to fund the total required contribution.

POLICE RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY								
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Contribution Employer & State		Actual Contributions			Percentage Contributions
			Amount	% of Payroll	Employer	State	Total	Employer / State
10/01/04	9/30/05	\$25,896,000	\$13,012,822	50.3%	\$13,012,996	\$ 0 (2)	\$13,012,996	100%
10/01/03	9/30/04	23,537,930	10,483,794	44.5%	9,348,498	1,490,015	10,838,513	100%
10/01/2 (1)	9/30/03	22,417,076	9,906,260	44.2%	8,794,100	1,139,628	9,933,728	100%

(1) Change in actuarial assumption and/or amendment and began prospective valuation.

(2) The State delayed payment of the insurance premium tax until fiscal year 2006, therefore the City was required to fund the total required contribution.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO FINANCIAL STATEMENTS
 SEPTEMBER 30, 2005**

NOTE 20 - EMPLOYEE RETIREMENT AND PENSION PLANS - (Continued)

B. DEFINED CONTRIBUTION PLAN

The City contributes to a defined contribution plan established by City Ordinance for exempt management employees who have waived membership in the General Employees' Retirement System, of which 103 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, 2005, the rate was 11 % of pre-deferral salary. The total City contribution to the 401a plan was \$979,251, or 11% of covered payroll. For the fiscal year ended September 30, 2005, payroll covered by this plan was \$8,902,282 compared to the total City payroll of approximately \$149.7 million.

C. DEFERRED RETIREMENT OPTION PLANS (DROP)

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. The Fire plan, which was started in 1997, keeps the individual's DROP funds commingled with the assets of the pension fund and post earnings monthly at the actuarially smoothed rate of return for the fund until the employment of the individual ends, a maximum of 5 years. Therefore this account is a liability of the respective fund. At termination of employment, the employee has an option of a lump sum payment or roll over into a tax deferred account.

The General Employees and Police DROP accounts which started in 2000 and 2004 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, 2005, participants and amounts deferred in the DROP plans are as follows:

	<u>Participants</u>	<u>Pension</u>
Fire	25	<u>\$ 1,577,563</u>
		<u>Custodial Assets</u>
General Employees	66	<u>\$ 3,678,259</u>
Police	12	<u>\$ 1,599,764</u>

CITY OF ST. PETERSBURG, FLORIDA
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**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2005**

NOTE 21 - POST-RETIREMENT HEALTH AND LIFE INSURANCE BENEFITS

In addition to providing pension benefits, the City, as required by State Statutes, makes available to retiring full-time employees the same health care plans which are available to active full-time employees. The City's labor contracts require the City to pay 75% of the base health care plan costs and the retirees to pay the balance of the base plan costs plus the cost of any optional health care benefits. An optional dental care group plan is available to both active and retired full-time employees for which 100% of premiums are paid by the individual participants. Term life insurance with a maximum \$5,000 benefit for retiring full-time employees and for retiring management personnel a maximum 50% of benefit amount prior to retirement decreasing to 25% at age 70, have monthly premiums which are paid entirely by the retirees as determined by City policy.

All of the above benefit plans are provided through insurance companies or health maintenance organizations (HMO). Some health plan premiums are based on the benefits paid during the plan period ending March 31. The City recognizes the cost of providing benefits by expensing monthly premiums. For the fiscal year ended September 30, 2005, the cost of retiree health care for 1,014 participants was \$6,201,137, of which \$2,418,427 was paid by the retirees. The \$54,922 cost of retiree dental care for the 237 eligible participants was paid by the retirees; Life insurance premiums for the 1,309 eligible participants totaled \$305,825 and the retirees paid \$270,617 of those premiums. The City offers an AD&D policy paid for entirely by active and retired employees.

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.

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.

NOTE 24 - SUBSEQUENT EVENTS

On December 15, 2005, the City issued \$50,420,000 in Public Utility Revenue Bonds, Series 2005. Bond proceeds will be used to fund capital improvements in the Water Resources department. The bond was competitively bid with a true interest cost of 4.7% over thirty years. This issue is not being included in the business-type activity disclosure at September 30, 2005.

On May 19, 2006, the City closed on two variable rated loans from the Sunshine State Governmental Financing Commission totaling \$10 million. The first loan was tax exempt totaling \$7,945,000 of which \$2,840,000 will be used for completion of the Mahaffey Theater projects, \$3,905,000 will be used for improvements to the City Marina, and \$1,200,000 will be used to repay an existing loan from the Department of Housing and Urban Development (HUD). The second loan was taxable totaling \$2,055,000 to be used for the remaining HUD loan. Both issues are variable rate commercial paper loans with financial maturities in 2021.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF ST. PETERSBURG, FLORIDA
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REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2005
(UNAUDITED)

DEFINED BENEFIT PENSION PLANS

Trend information gives an indication of the progress made in accumulating sufficient assets to pay benefits when due. Contributions were made in accordance with requirements determined by actuarial valuations of the plans. Six years of funding information and four years of contribution amounts and percentages of covered annual payroll are presented in the schedules which follow for each of the three pension systems.

EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (Frozen) Entry Age (b)	Unfunded Frozen (UFAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UFAAL as % of Covered Payroll (b-a)/c
10/1/05	\$ 203,725,000	\$ 223,660,000	\$ 19,935,000	91.1%	\$ 72,188,000	27.6%
10/1/04	193,116,000	214,024,000	20,908,000	90.2	67,971,000	30.8
10/1/03	188,252,000	209,991,000	21,739,000	89.6	66,092,000	32.9
10/1/02	169,555,000	191,779,000	22,224,000	88.4	63,044,000	35.3
10/1/01	179,077,000	203,534,000	24,457,000	88.0	60,635,000	40.3
10/1/00	182,265,000	207,149,000	24,884,000	88.0	56,217,000	44.3

EMPLOYEES' RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY						
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Employer Contributions*		Actual Employer Contributions	Percentage Contributed
			Amount	% of Payroll		
10/1/04	9/30/05	\$ 68,735,663	\$ 10,104,142	14.7%	\$ 10,104,142	100%
10/1/03 (1)	9/30/04	64,935,834	10,000,118	15.4	10,000,118	100
10/1/02 (1)	9/30/03	63,044,499	9,704,062	15.4	9,704,063	100
10/1/01	9/30/02	60,635,042	4,942,849	8.2	4,942,849	100
10/1/00	9/30/01	56,217,021	4,752,464	8.5	4,752,477	100

(1) Began prospective valuations.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**REQUIRED SUPPLEMENTARY INFORMATION
 SEPTEMBER 30, 2005
 (UNAUDITED)**

FIRE RETIREMENT SYSTEM SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll (b-a)/c
10/1/05	\$ 139,369,000	\$ 208,262,000	\$ 68,893,000	66.9%	\$ 15,825,000	435.3%
10/1/04	130,415,000	202,161,000	71,746,000	64.5	14,747,000	486.5
10/1/03	127,768,000	194,637,000	66,869,000	65.6	15,376,000	434.9
10/1/02	121,887,000	176,475,000	54,588,000	69.1	14,232,000	383.6
10/1/01	120,913,000	170,127,000	49,214,000	71.1	13,275,000	370.7
10/1/00	113,581,000	161,797,000	48,216,000	70.2	12,662,000	380.0

FIRE RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY								
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Contribution Employer & State		Actual Contributions			Percentage Contributed
			Amount	% of Payroll	Employer	State	Total	Employer /State
10/1/04	9/30/05	\$ 15,991,210	\$10,176,806	63.6%	\$10,177,000 (2)	\$ 0 (2)	\$10,177,000	100%
10/1/03 (1)	9/30/04	14,943,882	8,471,687	56.7	7,652,000	1,332,251	8,984,251	100
10/1/02 (1)	9/30/03	14,232,269	8,021,517	56.4	7,202,000	820,037	8,022,037	100
10/1/01	9/30/02	13,274,969	7,519,925	56.7	6,699,963	820,037	7,520,000	100
10/1/00	9/30/01	12,662,090	6,941,172	54.8	6,122,514	818,658	6,941,172	100

(1) Change in Actuarial Assumption and/or Amendment; began prospective valuation.

(2) The State delayed payment of the insurance premium tax until fiscal year 2006, therefore the City was required to fund the total required contribution.

CITY OF ST. PETERSBURG, FLORIDA
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REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2005
(UNAUDITED)

POLICE RETIREMENT SYSTEM SCHEDULE OF FUNDING PROGRESS						
Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as % of Covered Payroll (b-a)/c
10/1/05	\$ 222,841,000	\$ 305,106,000	\$ 82,265,000	73.0%	\$ 29,245,000	281.3%
10/1/04	204,414,000	286,678,000	82,264,000	71.3	26,478,000	310.7
10/1/03 (1)	194,010,000	275,096,000	81,086,000	70.5	24,900,000	325.6
10/1/02	188,105,000	246,888,000	58,783,000	76.2	22,417,000	262.2
10/1/01	193,588,000	225,896,000	32,308,000	85.7	21,370,000	151.2
10/1/00 (2)	200,616,000	211,847,000	10,883,000	94.7	19,858,000	56.6

- (1) Revised from prior report to include June 6, 2005 actuarial impact statement for ordinance 740-G effective July 7, 2005 retroactive to September 27, 2004.
(2) Revised from prior report to include June 25, 2001 actuarial impact statement results for ordinance No. 490-G effective October 1, 2000.

POLICE RETIREMENT SYSTEM SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY								
Valuation Date	Fiscal Year	Total Annual Covered Payroll	Required Contribution Employer & State		Actual Contributions			Percentage Contributed
			Amount	% of Payroll	Employer	State	Total	Employer /State
10/1/04	9/30/05	\$25,896,163	\$13,012,822	50.3%	\$13,012,996 (3)	\$ 0 (3)	\$13,012,996	100%
10/1/03 (1)	9/30/04	23,537,930	10,483,794	44.5	9,348,498	1,490,015	10,838,513	100
10/1/02 (1)	9/30/03	22,417,076	9,906,260	44.2	8,794,100	1,139,628	9,933,728	100
10/1/01	9/30/02	21,369,580	8,022,976	37.5	6,859,431	1,139,628	7,999,059	100
10/1/00 (2)	9/30/01	19,858,326	5,977,329	30.1	4,841,735	1,157,558	5,999,293	100

- (1) Change in Actuarial Assumptions and/or Amendment and began prospective valuation.
(2) Revised from prior report to include June 25, 2001 actuarial impact statement results for ordinance No. 490-G effective October 1, 2000.
(3) The State delayed payment of the insurance premium tax until fiscal year 2006, therefore the City was required to fund the total required contribution

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF ST. PETERSBURG, FLORIDA
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Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

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.

Franchise Tax - This fund is used to account for franchise taxes on the sale of electricity and is used as a secondary pledge for the debt service for outstanding Public Improvement Revenue Bonds.

Professional Sports Facility Sales Tax - This fund is used to account for revenue from the State of Florida Sales or Use Tax and is used to pay the debt service for the outstanding Professional Sports Facility Sales Tax Revenue Bonds, Series 2003.

Redevelopment Tax Increment - This fund is used to account for revenues received from Pinellas County for the downtown tax increment district which are transferred to the Redevelopment Fund.

Redevelopment - This fund accounts for revenues received from the Redevelopment Tax Increment Fund and other redevelopment funds, if any. These funds are then transferred to the debt service fund to pay a portion of the debt service on the Public Improvement Revenue Bonds.

Assessments Collection - This fund is used to account for the payment of principal and interest on special assessments for capital improvements.

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.

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.

Local Law Enforcement Block Grant - This fund is used to account for revenue received under the grant and is used for expenditures allowed by the grant documents.

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.

CITY OF ST. PETERSBURG, FLORIDA
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Economic Development - This fund is used to account for revenue received from state and federal grants and is used for expenses allowed by the grant documents and to account for contributions for the support of the Community Business Development Center.

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.

Tropicana Field - This fund is used to account for the city's share of both the 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.

Bayfront Center - This fund is used to account for the revenue generated by the Bayfront Center, 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 Sunken Gardens, general fund transfers and the related operating and capital expenditures.

Miscellaneous Trusts - This fund is used to account for the revenue received for expendable trusts and expenditures as allowed by the trust documents.

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.

Public Improvement - This fund is used to account for principal and interest on the city's Public Improvement bonds which were used for redevelopment in a designated downtown area.

Utility Tax - This fund is used to account for principal and interest on the city's Utility Tax bonds which were used for various general capital improvements.

CITY OF ST. PETERSBURG, FLORIDA
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Excise Tax - This fund is used to account for principal and interest on the city's excise tax bonds which were used to fund the construction of Tropicana Field.

Professional Sports Facility Sales Tax Revenue Bonds - 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.

First Florida Governmental Financing Commission (FFGFC) - This fund is used to account for principal, fees and interest on the city's FFGFC bonds which were used for improvements at multiple locations.

Capital Improvement Variable Rate Debt - This fund is used to account for principal and interest on the city's variable rate debt which was used to fund improvements at various locations.

Sunshine State Financing Commission (SSFC) - This fund is used to account for principal and interest on the city's SSFC bonds which were used to fund improvements and land acquisitions at various locations.

Capital Project Funds

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary and trust funds.

General Capital Improvement - This fund is used to account for various construction of projects funded by general revenue transfers.

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 transportation impact fees.

Economic Development Industrial Park Fund - This fund is used to account for various projects to redevelop and encourage private reinvestment in the Dome Industrial Park Pilot Project. The project is funded by Loan Guarantee Assistance - Section 108 and Brownfield Economic Development Initiative (BEDI) grants.

Downtown Parking Garage Fund - This fund is used to account for various downtown parking construction projects funded by general revenues and debt proceeds.

CITY OF ST. PETERSBURG, FLORIDA
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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.

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.

Kopsik Palm Arboretum 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 Arboretum.

Fire Rescue and EMS Awards Trust - This fund is to account for principal trust amounts received by corporate and individual citizens for the expressed purpose of providing for annual cash awards to one fire rescue and one emergency medical service employee chosen by an internal fire department committee.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2005

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 10,143,824	\$ 12,324,065	\$ 13,685,693	\$ 320,999	\$ 36,474,581
Investments	17,406,088	0	12,040,247	0	29,446,335
Trustee Accounts					
Cash and Cash Equivalents	0	495,640	181,785	0	677,425
Investments	220,429	833,177	53,030	117,206	1,223,842
Receivables					
Accounts	504,037	0	24,441	0	528,478
Taxes	1,821,375	0	0	0	1,821,375
Accrued Interest	229,248	0	184,097	0	413,345
Notes	1,652,117	0	150,563	0	1,802,680
Assessments	545,220	0	0	0	545,220
Due From Other Governmental Agencies					
Grants and Cost Reimbursement	235,723	0	1,582,215	0	1,817,938
Pinellas County - Fines	5,684	0	0	0	5,684
Pinellas County - Services	746,627	0	3,310	0	749,937
Inventory	34,343	0	0	0	34,343
Prepaid Costs and Deposits	255,646	0	294	0	255,940
Restricted Assets					
Cash and Cash Equivalents	0	0	12,066,971	0	12,066,971
TOTAL ASSETS	\$ 33,800,361	\$ 13,652,882	\$ 39,972,646	\$ 438,205	\$ 87,864,094
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers and Accounts Payable	\$ 505,358	\$ 0	\$ 696,619	\$ 0	\$ 1,201,977
Accrued Salaries	228,630	0	0	0	228,630
Other Accrued Liabilities	37,348	0	508	0	37,856
Due to Other Governmental Agencies	207,604	0	57,619	0	265,223
Retainage on Contracts	0	0	1,133,477	0	1,133,477
Due to Other Funds	93,000	0	205,000	0	298,000
Deposits	417,033	0	0	0	417,033
Deferred Revenues					
Notes Receivable	1,652,117	0	150,563	0	1,802,680
Assessments Receivable	545,219	0	0	0	545,219
Other	34,671	0	0	0	34,671
TOTAL LIABILITIES	3,720,980	0	2,243,786	0	5,964,766
FUND BALANCES					
Reserved					
Encumbrances	225,676	0	4,663,792	0	4,889,468
Inventory, Prepaid Costs and Deposits	280,367	0	294	0	280,661
Debt Service	0	13,652,882	0	0	13,652,882
Capital Improvements	51,934	0	0	0	51,934
Library	0	0	0	305,216	305,216
Palm Arboretum	0	0	0	117,206	117,206
Fire Rescue and EMS Awards	0	0	0	15,783	15,783
Unreserved					
Special Revenue Funds					
Designated for Loan Guarantees	330,252	0	0	0	330,252
Designated for Handicapped Parking	171,542	0	0	0	171,542
Designated for Park Preservation	14,481,942	0	0	0	14,481,942
Designated for Miscellaneous Trust Funds	1,694,295	0	0	0	1,694,295
Designated for Park Maintenance	237,785	0	0	0	237,785
Designated for Capital Assets	1,662,655	0	0	0	1,662,655
Undesignated	10,942,933	0	0	0	10,942,933
Capital Project Funds					
Designated for Loan Guarantees	0	0	423,630	0	423,630
Designated for Capital Projects	0	0	24,434,704	0	24,434,704
Undesignated	0	0	8,206,440	0	8,206,440
TOTAL FUND BALANCES	30,079,381	13,652,882	37,728,860	438,205	81,899,328
TOTAL LIABILITIES AND FUND BALANCES	\$ 33,800,361	\$ 13,652,882	\$ 39,972,646	\$ 438,205	\$ 87,864,094

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 15,815,954	\$ 0	\$ 0	\$ 0	\$ 15,815,954
Fines and Forfeitures	1,280,809	0	0	0	1,280,809
Charges for Services, User's Fees and Sales	15,239,854	0	0	0	15,239,854
Intergovernmental Revenues					
Federal and State Grants	1,011,635	0	1,466,944	0	2,478,579
State - Sales Tax	2,000,004	0	0	0	2,000,004
State - Housing Improvement Program	2,516,001	0	0	0	2,516,001
State - Firefighters Supplement	16,120	0	0	0	16,120
Pinellas County - Tax Increment	2,938,052	0	0	0	2,938,052
Pinellas County - Pedestrian Improvement Program	0	0	28,276	0	28,276
Total	8,481,812	0	1,495,220	0	9,977,032
Use of Money and Property					
Earnings on Investments	790,263	307,785	718,845	17,744	1,834,637
Securities Lending Income	361,233	0	210,740	0	571,973
Rentals	2,062,717	0	0	0	2,062,717
Total	3,214,213	307,785	929,585	17,744	4,469,327
Miscellaneous Revenue					
Assessments	92,529	0	866,360	0	958,889
Disposition of Property	2,761	0	180,553	0	183,314
Contributions	259,898	0	0	15,578	275,476
Other	1,176,978	0	1,287,116	0	2,464,094
Total	1,532,166	0	2,334,029	15,578	3,881,773
TOTAL REVENUES	45,564,808	307,785	4,758,834	33,322	50,664,749
EXPENDITURES					
Current Operations					
General Governmental	0	0	352,298	0	352,298
Community & Economic Development	2,437,179	0	2,177,540	0	4,614,719
Public Works	3,219,098	0	499,160	0	3,718,258
Public Safety	10,510,163	0	0	0	10,510,163
Recreation & Culture	8,949,450	0	133,410	432	9,083,292
Securities Lending					
Interest	342,725	0	199,987	0	542,712
Agent Fees	7,403	0	4,301	0	11,704
Debt Service					
Principal Payments	0	18,000,000	0	0	18,000,000
Interest Payments	0	7,878,217	0	0	7,878,217
Remarketing and Other Fees	0	28,709	0	0	28,709
Bond Costs	0	0	97,052	0	97,052
Capital Outlay	1,326,956	0	8,386,863	0	9,713,819
TOTAL EXPENDITURES	26,792,974	25,906,926	11,850,611	432	64,550,943
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	18,771,834	(25,599,141)	(7,091,777)	32,890	(13,886,194)
OTHER FINANCING SOURCES (USES)					
Transfers In					
General Fund	7,334,085	4,505,799	2,975,500	0	14,815,384
Special Revenue Funds	6,221,739	19,913,637	1,636,363	0	27,771,739
Capital Projects Funds	0	1,509,918	0	0	1,509,918
Internal Service Funds	0	0	95,580	0	95,580
Total Transfers In	13,555,824	25,929,354	4,707,443	0	44,192,621
Transfers Out					
General Fund	(15,507,872)	0	0	0	(15,507,872)
Debt Service Funds	(15,409,626)	0	(349,918)	0	(15,759,544)
Capital Projects Funds	(1,636,363)	0	0	0	(1,636,363)
Total Transfers Out	(32,553,861)	0	(349,918)	0	(32,903,779)
Bond Proceeds	0	0	16,000,000	0	16,000,000
Loan Proceeds	0	0	527,000	0	527,000
TOTAL OTHER FINANCING SOURCES (USES)	(18,998,037)	25,929,354	20,884,525	0	27,815,842
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(226,203)	330,213	13,792,748	32,890	13,929,648
FUND BALANCES (DEFICIT) - OCTOBER 1	30,305,584	13,322,669	23,936,112	405,315	67,969,680
FUND BALANCE (DEFICIT) - SEPTEMBER 30	\$ 30,079,381	\$ 13,652,882	\$ 37,728,860	\$ 438,205	\$ 81,899,328

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2005

	WEEKI WACHEE	FRANCHISE TAX	PROFESSIONAL SPORTS FACILITY SALES TAX	REDEVELOPMENT TAX INCREMENT
ASSETS				
Cash and Cash Equivalents	\$ 582,266	\$ 0	\$ 185,775	\$ 281,497
Investments	14,453,908	0	0	0
Trustee Accounts				
Investments	0	0	0	0
Receivables				
Accounts	0	0	0	0
Taxes	0	1,821,375	0	0
Accrued Interest	177,908	0	0	0
Notes	0	0	0	0
Assessments	0	0	0	0
Due From Other Governmental Agencies				
Grants and Cost Reimbursement	0	0	0	0
Pinellas County - Fines	0	0	0	0
Pinellas County - Services	0	0	0	0
Inventory	0	0	0	0
Prepaid Costs and Deposits	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u><u>\$ 15,214,082</u></u>	<u><u>\$ 1,821,375</u></u>	<u><u>\$ 185,775</u></u>	<u><u>\$ 281,497</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Salaries	0	0	0	0
Other Accrued Liabilities	0	0	0	0
Due to Other Governmental Agencies	0	0	0	0
Due to Other Funds	0	0	0	0
Deposits	0	0	0	0
Deferred Revenues				
Notes Receivable	0	0	0	0
Assessments Receivable	0	0	0	0
Other	0	0	0	0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES				
Reserved for Encumbrances	0	0	0	0
Reserved or Prepaid Costs and Inventory	0	0	0	0
Reserved for Capital Improvements	0	0	0	0
Unreserved				
Designated for Vested Accrued Leave	0	0	0	0
Designated for Loan Guarantees	0	0	0	0
Designated for Handicapped Parking	0	0	0	0
Designated for Park Preservation	14,481,942	0	0	0
Designated for Miscellaneous Trust Funds	0	0	0	0
Designated for Park Maintenance	237,785	0	0	0
Designated for Capital Assets	0	0	0	0
Undesignated	494,355	1,821,375	185,775	281,497
	<u>15,214,082</u>	<u>1,821,375</u>	<u>185,775</u>	<u>281,497</u>
TOTAL FUND BALANCES (DEFICIT)	<u>15,214,082</u>	<u>1,821,375</u>	<u>185,775</u>	<u>281,497</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 15,214,082</u></u>	<u><u>\$ 1,821,375</u></u>	<u><u>\$ 185,775</u></u>	<u><u>\$ 281,497</u></u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

REDEVELOPMENT	ASSESSMENTS COLLECTION	PARKING	LOCAL LAW ENFORCEMENT TRUST	LOCAL LAW ENFORCEMENT BLOCK GRANT	EMERGENCY MEDICAL SERVICES
\$ 271	\$ 233,232	\$ 626,803	\$ 474,265	\$ 217,629	\$ 473,083
0	0	0	0	0	0
0	0	0	0	0	0
0	0	65,050	0	0	103,615
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	545,220	0	0	0	0
0	0	0	0	0	96,614
0	0	150	0	0	0
0	0	0	0	0	746,627
0	0	0	0	0	0
0	0	6,464	10,622	3,069	641
<u>\$ 271</u>	<u>\$ 778,452</u>	<u>\$ 698,467</u>	<u>\$ 484,887</u>	<u>\$ 220,698</u>	<u>\$ 1,420,580</u>
\$ 0	\$ 0	\$ 116,732	\$ 8,541	\$ 4,508	\$ 27,435
0	0	29,826	0	0	178,648
0	0	0	0	0	0
0	0	1,124	5,000	197,791	0
53,000	0	0	0	0	0
0	0	33,298	202,286	0	0
0	0	0	0	0	0
0	545,219	0	0	0	0
0	0	0	0	0	0
<u>53,000</u>	<u>545,219</u>	<u>180,980</u>	<u>215,827</u>	<u>202,299</u>	<u>206,083</u>
0	0	120,427	0	0	52,830
0	0	6,464	10,622	3,069	641
0	0	51,934	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	171,542	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
(52,729)	233,233	167,120	258,438	15,330	1,161,026
<u>(52,729)</u>	<u>233,233</u>	<u>517,487</u>	<u>269,060</u>	<u>18,399</u>	<u>1,214,497</u>
<u>\$ 271</u>	<u>\$ 778,452</u>	<u>\$ 698,467</u>	<u>\$ 484,887</u>	<u>\$ 220,698</u>	<u>\$ 1,420,580</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2005

	ECONOMIC DEVELOPMENT	LOCAL HOUSING ASSISTANCE TRUST	TROPICANA FIELD	BAYFRONT CENTER
ASSETS				
Cash and Cash Equivalents	\$ 2,752	\$ 2,978,298	\$ 2,147,795	\$ 90,122
Investments	0	2,952,180	0	0
Trustee Accounts				
Investments	0	0	0	0
Receivables				
Accounts	0	0	251,209	13,734
Taxes	0	0	0	0
Accrued Interest	0	51,340	0	0
Notes	0	1,652,117	0	0
Assessments	0	0	0	0
Due From Other Governmental Agencies				
Grants and Cost Reimbursement	64,148	0	44,604	0
Pinellas County - Fines	0	0	0	0
Pinellas County - Services	0	0	0	0
Inventory	0	0	0	0
Prepaid Costs and Deposits	0	0	155,062	34,974
TOTAL ASSETS	\$ 66,900	\$ 7,633,935	\$ 2,598,670	\$ 138,830
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 12,611	\$ 107,256	\$ 0	\$ 24,475
Accrued Salaries	0	0	0	5,905
Other Accrued Liabilities	0	0	0	0
Due to Other Governmental Agencies	0	0	0	114
Due to Other Funds	40,000	0	0	0
Deposits	0	4,628	0	2,650
Deferred Revenues				
Notes Receivable	0	1,652,117	0	0
Assessments Receivable	0	0	0	0
Other	0	0	0	32,075
TOTAL LIABILITIES	52,611	1,764,001	0	65,219
FUND BALANCES				
Reserved for Encumbrances	0	160	0	14,251
Reserved or Prepaid Costs and Inventory	0	0	155,062	34,974
Reserved for Capital Improvements	0	0	0	0
Unreserved				
Designated for Vested Accrued Leave	0	0	0	0
Designated for Loan Guarantees	0	330,252	0	0
Designated for Handicapped Parking	0	0	0	0
Designated for Park Preservation	0	0	0	0
Designated for Miscellaneous Trust Funds	0	0	0	0
Designated for Park Maintenance	0	0	0	0
Designated for Capital Assets	0	0	1,662,655	0
Undesignated	14,289	5,539,522	780,953	24,386
TOTAL FUND BALANCES (DEFICIT)	14,289	5,869,934	2,598,670	73,611
TOTAL LIABILITIES AND FUND BALANCES	\$ 66,900	\$ 7,633,935	\$ 2,598,670	\$ 138,830

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

PIER	COLISEUM	SUNKEN GARDENS	MISCELLANEOUS TRUSTS	TOTAL
\$ 120,990	\$ 65,549	\$ 156,284	\$ 1,507,213	\$ 10,143,824
0	0	0	0	17,406,088
0	0	0	220,429	220,429
21,272	13,586	35,557	14	504,037
0	0	0	0	1,821,375
0	0	0	0	229,248
0	0	0	0	1,652,117
0	0	0	0	545,220
30,357	0	0	0	235,723
0	0	0	5,534	5,684
0	0	0	0	746,627
0	17,305	17,038	0	34,343
42,930	1,749	105	30	255,646
<u>\$ 215,549</u>	<u>\$ 98,189</u>	<u>\$ 208,984</u>	<u>\$ 1,733,220</u>	<u>\$ 33,800,361</u>
\$ 74,686	\$ 13,040	\$ 78,582	\$ 37,492	\$ 505,358
0	5,141	7,707	1,403	228,630
37,348	0	0	0	37,348
3,575	0	0	0	207,604
0	0	0	0	93,000
38,647	64,296	71,228	0	417,033
0	0	0	0	1,652,117
0	0	0	0	545,219
0	2,596	0	0	34,671
<u>154,256</u>	<u>85,073</u>	<u>157,517</u>	<u>38,895</u>	<u>3,720,980</u>
0	3,684	34,324	0	225,676
42,930	9,432	17,143	30	280,367
0	0	0	0	51,934
0	0	0	0	0
0	0	0	0	330,252
0	0	0	0	171,542
0	0	0	0	14,481,942
0	0	0	1,694,295	1,694,295
0	0	0	0	237,785
0	0	0	0	1,662,655
18,363	0	0	0	10,942,933
<u>61,293</u>	<u>13,116</u>	<u>51,467</u>	<u>1,694,325</u>	<u>30,079,381</u>
<u>\$ 215,549</u>	<u>\$ 98,189</u>	<u>\$ 208,984</u>	<u>\$ 1,733,220</u>	<u>\$ 33,800,361</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	WEEKI WACHEE	FRANCHISE TAX	PROFESSIONAL SPORTS FACILITY SALES TAX	REDEVELOPMENT TAX INCREMENT
REVENUES				
Taxes	\$ 0	\$ 15,815,954	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User's Fees and Sales	0	0	0	0
Intergovernmental Revenues				
Federal and State Grants	0	0	0	0
State - Sales Tax	0	0	2,000,004	0
State - Housing Improvement Program	0	0	0	0
State - Firefighters Supplement	0	0	0	0
Pinellas County - Tax Increment	0	0	0	2,938,052
Total	0	0	2,000,004	2,938,052
Use of Money and Property				
Earnings on Investments	304,159	0	18,605	3,790
Securities Lending Income	300,180	0	0	0
Rentals	0	0	0	0
Total	604,339	0	18,605	3,790
Miscellaneous Revenue				
Assessments	0	0	0	0
Disposition of Property	0	0	0	0
Contributions	0	0	0	0
Other	0	0	0	0
Total	0	0	0	0
TOTAL REVENUES	604,339	15,815,954	2,018,609	2,941,842
EXPENDITURES				
Current Operations				
Community & Economic Development	0	0	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation & Culture	0	0	0	0
Securities Lending				
Interest	284,800	0	0	0
Agent Fees	6,152	0	0	0
Capital Outlay	0	0	0	0
TOTAL EXPENDITURES	290,952	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	313,387	15,815,954	2,018,609	2,941,842
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	0	0	0	3,392,085
Special Revenue Funds	0	0	0	0
Total Operating Transfers In	0	0	0	3,392,085
Transfers Out				
General Fund	(25,301)	(15,407,571)	0	0
Debt Service Funds	0	0	(2,392,789)	(6,221,739)
Capital Projects Funds	(59,500)	0	0	0
Total Operating Transfers Out	(84,801)	(15,407,571)	(2,392,789)	(6,221,739)
TOTAL OTHER FINANCING SOURCES (USES)	(84,801)	(15,407,571)	(2,392,789)	(2,829,654)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	228,586	408,383	(374,180)	112,188
FUND BALANCES (DEFICIT) - OCTOBER 1	14,985,496	1,412,992	559,955	169,309
FUND BALANCE (DEFICIT) - SEPTEMBER 30	\$ 15,214,082	\$ 1,821,375	\$ 185,775	\$ 281,497

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

REDEVELOPMENT	ASSESSMENTS COLLECTION	PARKING	LOCAL LAW ENFORCEMENT TRUST	LOCAL LAW ENFORCEMENT BLOCK GRANT	EMERGENCY MEDICAL SERVICES
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	904,544	322,640	0	0
0	0	2,590,220	0	0	9,096,421
0	0	(296)	0	705,653	(17,134)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	16,120
0	0	0	0	0	0
0	0	(296)	0	705,653	(1,014)
16,502	99,183	22,138	26,900	14,225	24,506
0	0	0	0	0	0
0	0	82,216	0	0	0
16,502	99,183	104,354	26,900	14,225	24,506
0	92,529	0	0	0	0
0	0	1,105	0	0	1,564
0	0	0	0	0	0
0	0	3,091	0	676	36,624
0	92,529	4,196	0	676	38,188
16,502	191,712	3,603,018	349,540	720,554	9,158,101
0	89,000	0	0	0	0
0	0	3,219,098	0	0	0
0	0	0	76,713	808,824	9,566,589
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	296,029	0	0	339,364
0	89,000	3,515,127	76,713	808,824	9,905,953
16,502	102,712	87,891	272,827	(88,270)	(747,852)
0	0	0	0	0	0
6,221,739	0	0	0	0	0
6,221,739	0	0	0	0	0
0	0	(75,000)	0	0	0
(6,505,536)	0	(289,562)	0	0	0
0	0	(60,000)	0	0	0
(6,505,536)	0	(424,562)	0	0	0
(283,797)	0	(424,562)	0	0	0
(267,295)	102,712	(336,671)	272,827	(88,270)	(747,852)
214,566	130,521	854,158	(3,767)	106,669	1,962,349
<u>\$ (52,729)</u>	<u>\$ 233,233</u>	<u>\$ 517,487</u>	<u>\$ 269,060</u>	<u>\$ 18,399</u>	<u>\$ 1,214,497</u>

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

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	ECONOMIC DEVELOPMENT	LOCAL HOUSING ASSISTANCE TRUST	TROPICANA FIELD	BAYFRONT CENTER
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	217	0	0
Charges for Services, User's Fees and Sales	0	0	0	1,288,633
Intergovernmental Revenues				
Federal and State Grants	78,048	0	207,811	25
State - Sales Tax	0	0	0	0
State - Housing Improvement Program	0	2,516,001	0	0
State - Firefighters Supplement	0	0	0	0
Pinellas County - Tax Increment	0	0	0	0
Total	<u>78,048</u>	<u>2,516,001</u>	<u>207,811</u>	<u>25</u>
Use of Money and Property				
Earnings on Investments	23	133,628	32,914	12
Securities Lending Income	0	61,053	0	0
Rentals	0	0	1,013,247	0
Total	<u>23</u>	<u>194,681</u>	<u>1,046,161</u>	<u>12</u>
Miscellaneous Revenue				
Assessments	0	0	0	0
Disposition of Property	0	0	0	92
Contributions	0	0	0	0
Other	0	1,047,176	0	11,399
Total	<u>0</u>	<u>1,047,176</u>	<u>0</u>	<u>11,491</u>
TOTAL REVENUES	<u>78,071</u>	<u>3,758,075</u>	<u>1,253,972</u>	<u>1,300,161</u>
EXPENDITURES				
Current Operations				
Community & Economic Development	67,651	2,280,528	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation & Culture	0	0	1,324,377	2,870,598
Securities Lending				
Interest	0	57,925	0	0
Agent Fees	0	1,251	0	0
Capital Outlay	0	0	451,898	0
TOTAL EXPENDITURES	<u>67,651</u>	<u>2,339,704</u>	<u>1,776,275</u>	<u>2,870,598</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>10,420</u>	<u>1,418,371</u>	<u>(522,303)</u>	<u>(1,570,437)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	0	0	1,100,000	1,423,000
Special Revenue Fund	0	0	0	0
Total Operating Transfers In	<u>0</u>	<u>0</u>	<u>1,100,000</u>	<u>1,423,000</u>
Transfers Out				
General Fund	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
Total Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>1,100,000</u>	<u>1,423,000</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>10,420</u>	<u>1,418,371</u>	<u>577,697</u>	<u>(147,437)</u>
FUND BALANCES (DEFICIT) - OCTOBER 1	<u>3,869</u>	<u>4,451,563</u>	<u>2,020,973</u>	<u>221,048</u>
FUND BALANCE (DEFICIT) - SEPTEMBER 30	<u>\$ 14,289</u>	<u>\$ 5,869,934</u>	<u>\$ 2,598,670</u>	<u>\$ 73,611</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

PIER	COLISEUM	SUNKEN GARDENS	MISCELLANEOUS TRUSTS	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 15,815,954
0	0	0	53,408	1,280,809
<u>516,172</u>	<u>654,080</u>	<u>611,475</u>	<u>482,853</u>	<u>15,239,854</u>
30,357	0	7,171	0	1,011,635
0	0	0	0	2,000,004
0	0	0	0	2,516,001
0	0	0	0	16,120
0	0	0	0	2,938,052
<u>30,357</u>	<u>0</u>	<u>7,171</u>	<u>0</u>	<u>8,481,812</u>
1,279	4,197	3,406	84,796	790,263
0	0	0	0	361,233
967,254	0	0	0	2,062,717
<u>968,533</u>	<u>4,197</u>	<u>3,406</u>	<u>84,796</u>	<u>3,214,213</u>
0	0	0	0	92,529
0	0	0	0	2,761
0	0	1,767	258,131	259,898
72,775	2,053	(91)	3,275	1,176,978
<u>72,775</u>	<u>2,053</u>	<u>1,676</u>	<u>261,406</u>	<u>1,532,166</u>
<u>1,587,837</u>	<u>660,330</u>	<u>623,728</u>	<u>882,463</u>	<u>45,564,808</u>
0	0	0	0	2,437,179
0	0	0	0	3,219,098
0	0	0	58,037	10,510,163
2,819,979	776,475	767,727	390,294	8,949,450
0	0	0	0	342,725
0	0	0	0	7,403
0	1,961	2,475	235,229	1,326,956
<u>2,819,979</u>	<u>778,436</u>	<u>770,202</u>	<u>683,560</u>	<u>26,792,974</u>
<u>(1,232,142)</u>	<u>(118,106)</u>	<u>(146,474)</u>	<u>198,903</u>	<u>18,771,834</u>
1,217,000	47,000	155,000	0	7,334,085
0	0	0	0	6,221,739
<u>1,217,000</u>	<u>47,000</u>	<u>155,000</u>	<u>0</u>	<u>13,555,824</u>
0	0	0	0	(15,507,872)
0	0	0	0	(15,409,626)
0	0	0	(1,516,863)	(1,636,363)
0	0	0	(1,516,863)	(32,553,861)
<u>1,217,000</u>	<u>47,000</u>	<u>155,000</u>	<u>(1,516,863)</u>	<u>(18,998,037)</u>
(15,142)	(71,106)	8,526	(1,317,960)	(226,203)
76,435	84,222	42,941	3,012,285	30,305,584
<u>\$ 61,293</u>	<u>\$ 13,116</u>	<u>\$ 51,467</u>	<u>\$ 1,694,325</u>	<u>\$ 30,079,381</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 SEPTEMBER 30, 2005

	<u>PUBLIC IMPROVEMENT</u>	<u>UTILITY TAX</u>	<u>EXCISE TAX</u>
ASSETS			
Cash and Cash Equivalents	\$ 1,633,000	\$ 2,471,865	\$ 6,797,612
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Investments	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 1,633,000</u>	<u>\$ 2,471,865</u>	<u>\$ 6,797,612</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES			
Reserved			
For Interest	0	176,333	1,747,612
For General Long-term Liabilities			
Principal Account	0	766,667	5,050,000
Reserve Account	<u>1,633,000</u>	<u>1,528,865</u>	<u>0</u>
TOTAL FUND BALANCES	<u>1,633,000</u>	<u>2,471,865</u>	<u>6,797,612</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,633,000</u>	<u>\$ 2,471,865</u>	<u>\$ 6,797,612</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

PROFESSIONAL SPORTS FACILITY SALES TAX	FIRST FLORIDA	CAPITAL IMPROVEMENT VARIABLE RATE	SUNSHINE STATE	TOTAL
\$ 1,421,588	\$ 0	\$ 0	\$ 0	\$ 12,324,065
0	25,687	0	469,953	495,640
<u>0</u>	<u>833,177</u>	<u>0</u>	<u>0</u>	<u>833,177</u>
<u>\$ 1,421,588</u>	<u>\$ 858,864</u>	<u>\$ 0</u>	<u>\$ 469,953</u>	<u>\$ 13,652,882</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
506,588	0	0	5,492	2,436,025
915,000	0	0	0	6,731,667
<u>0</u>	<u>858,864</u>	<u>0</u>	<u>464,461</u>	<u>4,485,190</u>
<u>1,421,588</u>	<u>858,864</u>	<u>0</u>	<u>469,953</u>	<u>13,652,882</u>
<u>\$ 1,421,588</u>	<u>\$ 858,864</u>	<u>\$ 0</u>	<u>\$ 469,953</u>	<u>\$ 13,652,882</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
DEBT SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>PUBLIC IMPROVEMENT</u>	<u>UTILITY TAX</u>	<u>EXCISE TAX</u>
REVENUES			
Earnings on Investments	\$ 100,938	\$ 70,852	\$ 89,956
TOTAL REVENUES	<u>100,938</u>	<u>70,852</u>	<u>89,956</u>
EXPENDITURES			
Debt Service			
Principal Payments	5,540,000	2,195,000	4,840,000
Interest Payments	933,250	626,000	3,601,705
Remarketing and Other Fees	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>6,473,250</u>	<u>2,821,000</u>	<u>8,441,705</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,372,312)</u>	<u>(2,750,148)</u>	<u>(8,351,749)</u>
OTHER FINANCING SOURCES			
Transfers In			
General Fund	0	0	0
Special Revenue Funds	6,372,312	2,754,481	8,455,269
Capital Project Funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	<u>6,372,312</u>	<u>2,754,481</u>	<u>8,455,269</u>
TOTAL OTHER FINANCING SOURCES	<u>6,372,312</u>	<u>2,754,481</u>	<u>8,455,269</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	4,333	103,520
FUND BALANCES - OCTOBER 1	<u>1,633,000</u>	<u>2,467,532</u>	<u>6,694,092</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 1,633,000</u>	<u>\$ 2,471,865</u>	<u>\$ 6,797,612</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

PROFESSIONAL SPORTS FACILITY SALES TAX	FIRST FLORIDA	CAPITAL IMPROVEMENT VARIABLE RATE	SUNSHINE STATE	TOTAL
\$ 19,386	\$ 19,349	\$ 0	\$ 7,304	\$ 307,785
<u>19,386</u>	<u>19,349</u>	<u>0</u>	<u>7,304</u>	<u>307,785</u>
975,000	2,955,000	230,000	1,265,000	18,000,000
1,022,925	1,374,950	99,449	219,938	7,878,217
0	6,100	0	22,609	28,709
<u>1,997,925</u>	<u>4,336,050</u>	<u>329,449</u>	<u>1,507,547</u>	<u>25,906,926</u>
<u>(1,978,539)</u>	<u>(4,316,701)</u>	<u>(329,449)</u>	<u>(1,500,243)</u>	<u>(25,599,141)</u>
0	4,031,428	329,449	144,922	4,505,799
1,908,789	271,180	0	151,606	19,913,637
0	0	0	1,509,918	1,509,918
<u>1,908,789</u>	<u>4,302,608</u>	<u>329,449</u>	<u>1,806,446</u>	<u>25,929,354</u>
<u>1,908,789</u>	<u>4,302,608</u>	<u>329,449</u>	<u>1,806,446</u>	<u>25,929,354</u>
(69,750)	(14,093)	0	306,203	330,213
<u>1,491,338</u>	<u>872,957</u>	<u>0</u>	<u>163,750</u>	<u>13,322,669</u>
<u>\$ 1,421,588</u>	<u>\$ 858,864</u>	<u>\$ 0</u>	<u>\$ 469,953</u>	<u>\$ 13,652,882</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
SEPTEMBER 30, 2005

	<u>GENERAL CAPITAL IMPROVEMENT</u>	<u>HOUSING CAPITAL IMPROVEMENT</u>
ASSETS		
Cash and Cash Equivalents	\$ 4,977,971	\$ 2,154,837
Investments	1,491,570	0
Trustee Accounts		
Cash and Cash Equivalents	0	0
Investments	53,030	0
Receivables		
Accounts	0	24,441
Accrued Interest	25,000	0
Notes	0	150,563
Due from Other Governmental Agencies		
Grants	1,388,762	61,130
Services	3,310	0
Prepaid Costs and Deposits	294	0
Restricted Assets		
Cash and Cash Equivalents	<u>12,066,971</u>	<u>0</u>
TOTAL ASSETS	<u><u>\$ 20,006,908</u></u>	<u><u>\$ 2,390,971</u></u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and Accounts Payable	\$ 523,171	\$ 23,020
Accrued Liabilities	0	508
Retainage	1,133,477	0
Due to Other Governmental Agencies	57,619	0
Due to Other Funds	0	0
Deferred Revenue - Notes	<u>0</u>	<u>150,563</u>
TOTAL LIABILITIES	<u>1,714,267</u>	<u>174,091</u>
FUND BALANCES		
Reserved for Encumbrances	4,582,830	1,559
Reserved for Prepaid Costs and Deposits	294	0
Unreserved		
Designated for Loan Guarantees	0	423,630
Designated for Capital Projects	13,709,517	1,398,961
Undesignated	<u>0</u>	<u>392,730</u>
TOTAL FUND BALANCES	<u>18,292,641</u>	<u>2,216,880</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 20,006,908</u></u>	<u><u>\$ 2,390,971</u></u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

TRANSPORTATION IMPROVEMENT	ECONOMIC DEVELOPMENT INDUSTRIAL PARK	DOWNTOWN PARKING GARAGE	TOTAL
\$ 6,491,694	\$ 1,234	\$ 59,957	\$ 13,685,693
10,548,677	0	0	12,040,247
0	181,785	0	181,785
0	0	0	53,030
0	0	0	24,441
159,097	0	0	184,097
0	0	0	150,563
0	132,323	0	1,582,215
0	0	0	3,310
0	0	0	294
0	0	0	12,066,971
\$ 17,199,468	\$ 315,342	\$ 59,957	\$ 39,972,646
\$ 61,271	\$ 89,157	\$ 0	\$ 696,619
0	0	0	508
0	0	0	1,133,477
0	0	0	57,619
0	205,000	0	205,000
0	0	0	150,563
61,271	294,157	0	2,243,786
58,218	21,185	0	4,663,792
0	0	0	294
0	0	0	423,630
9,314,643	0	11,583	24,434,704
7,765,336	0	48,374	8,206,440
17,138,197	21,185	59,957	37,728,860
\$ 17,199,468	\$ 315,342	\$ 59,957	\$ 39,972,646

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUE, EXPENDITURE, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>GENERAL CAPITAL IMPROVEMENT</u>	<u>HOUSING CAPITAL IMPROVEMENT</u>
REVENUES		
Intergovernmental Revenue		
Federal Grants	\$ 687,402	\$ 0
State Grants	676,655	68,775
Pinellas County - Pedestrian Improvement Program	28,276	0
Total	<u>1,392,333</u>	<u>68,775</u>
Use of Money and Property		
Earnings on Investments	276,540	61,444
Securities Lending Income	13,279	0
Total	<u>289,819</u>	<u>61,444</u>
Miscellaneous Revenues		
Special Assessments and Impact Fees	0	0
Sale of Property	0	180,553
Other	0	323,891
Total	<u>0</u>	<u>504,444</u>
 TOTAL REVENUES	 <u>1,682,152</u>	 <u>634,663</u>
EXPENDITURES		
Current Operations		
General Government	352,298	0
Community & Economic Development	1,339,272	838,563
Public Works	497,634	0
Recreation & Culture	133,410	0
Capital Outlay	7,490,451	0
Debt Service - Bond Costs	97,052	0
Securities Lending		
Interest	12,732	0
Agent Fees	219	0
Total	<u>12,983</u>	<u>0</u>
TOTAL EXPENDITURES	<u>9,923,068</u>	<u>838,563</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(8,240,916)</u>	<u>(203,900)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	2,975,500	0
Special Revenue Funds	59,500	0
Internal Service Funds	95,580	0
Total Transfers In	<u>3,130,580</u>	<u>0</u>
Transfer Out		
Debt Service Funds	(349,918)	0
Total Transfers Out	<u>(349,918)</u>	<u>0</u>
Bond Proceeds	16,000,000	0
Loan Proceeds	0	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>18,780,662</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	10,539,746	(203,900)
FUND BALANCES - OCTOBER 1	<u>7,752,895</u>	<u>2,420,780</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 18,292,641</u>	<u>\$ 2,216,880</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

TRANSPORTATION IMPROVEMENT	ECONOMIC DEVELOPMENT INDUSTRIAL PARK	DOWNTOWN PARKING GARAGE	TOTAL
\$ 0	\$ 34,112	\$ 0	\$ 721,514
0	0	0	745,430
0	0	0	28,276
<u>0</u>	<u>34,112</u>	<u>0</u>	<u>1,495,220</u>
363,786	17,075	0	718,845
197,461	0	0	210,740
<u>561,247</u>	<u>17,075</u>	<u>0</u>	<u>929,585</u>
866,360	0	0	866,360
0	0	0	180,553
963,225	0	0	1,287,116
<u>1,829,585</u>	<u>0</u>	<u>0</u>	<u>2,334,029</u>
<u>2,390,832</u>	<u>51,187</u>	<u>0</u>	<u>4,758,834</u>
0	0	0	352,298
0	(338)	43	2,177,540
1,526	0	0	499,160
0	0	0	133,410
322,991	573,421	0	8,386,863
0	0	0	97,052
187,255	0	0	199,987
4,082	0	0	4,301
<u>515,854</u>	<u>573,083</u>	<u>43</u>	<u>11,850,611</u>
<u>1,874,978</u>	<u>(521,896)</u>	<u>(43)</u>	<u>(7,091,777)</u>
0	0	0	2,975,500
1,516,863	0	60,000	1,636,363
0	0	0	95,580
<u>1,516,863</u>	<u>0</u>	<u>60,000</u>	<u>4,707,443</u>
0	0	0	(349,918)
0	0	0	(349,918)
0	0	0	16,000,000
0	527,000	0	527,000
<u>1,516,863</u>	<u>527,000</u>	<u>60,000</u>	<u>20,884,525</u>
3,391,841	5,104	59,957	13,792,748
<u>13,746,356</u>	<u>16,081</u>	<u>0</u>	<u>23,936,112</u>
<u>\$ 17,138,197</u>	<u>\$ 21,185</u>	<u>\$ 59,957</u>	<u>\$ 37,728,860</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
PERMANENT FUNDS
SEPTEMBER 30, 2005

	LIBRARY TRUST	KOPSICK PALM ARBORETUM TRUST	FIRE RESCUE AND EMS AWARDS	TOTAL
ASSETS				
Cash and Cash Equivalents	\$ 305,216	\$ 0	\$ 15,783	\$ 320,999
Trustee Accounts				
Investments	<u>0</u>	<u>117,206</u>	<u>0</u>	<u>117,206</u>
TOTAL ASSETS	<u><u>\$ 305,216</u></u>	<u><u>\$ 117,206</u></u>	<u><u>\$ 15,783</u></u>	<u><u>\$ 438,205</u></u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL LIABILITIES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES				
Reserved for:				
Library	305,216	0	0	305,216
Palm Arboretum	0	117,206	0	117,206
Fire Rescue and EMS Awards	<u>0</u>	<u>0</u>	<u>15,783</u>	<u>15,783</u>
TOTAL FUND BALANCES	<u>305,216</u>	<u>117,206</u>	<u>15,783</u>	<u>438,205</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 305,216</u></u>	<u><u>\$ 117,206</u></u>	<u><u>\$ 15,783</u></u>	<u><u>\$ 438,205</u></u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 PERMANENT FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	LIBRARY TRUST	KOPSICK PALM ARBORETUM TRUST	FIRE RESCUE AND EMS AWARDS	TOTAL
REVENUES				
Earnings on Investments	\$ 7,115	\$ 10,424	\$ 205	\$ 17,744
Contributions	0	0	15,578	15,578
 TOTAL REVENUES	 7,115	 10,424	 15,783	 33,322
EXPENDITURES				
Investments Managers' Fees	0	432	0	432
 TOTAL EXPENDITURES	 0	 432	 0	 432
EXCESS OF REVENUES OVER EXPENDITURES	7,115	9,992	15,783	32,890
FUND BALANCES - OCTOBER 1	298,101	107,214	0	405,315
FUND BALANCES - SEPTEMBER 30	<u>\$ 305,216</u>	<u>\$ 117,206</u>	<u>\$ 15,783</u>	<u>\$ 438,205</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 NONMAJOR GOVERNMENTAL FUNDS
 PERMANENT FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	LIBRARY TRUST	KOPSICK PALM ARBORETUM TRUST	FIRE RESCUE AND EMS AWARDS	TOTAL
REVENUES				
Earnings on Investments	\$ 7,115	\$ 10,424	\$ 205	\$ 17,744
Contributions	0	0	15,578	\$ 15,578
 TOTAL REVENUES	 7,115	 10,424	 15,783	 33,322
EXPENDITURES				
Investments Managers' Fees	0	432	0	432
 TOTAL EXPENDITURES	 0	 432	 0	 432
EXCESS OF REVENUES OVER EXPENDITURES	7,115	9,992	15,783	32,890
FUND BALANCES - OCTOBER 1	298,101	107,214	0	405,315
FUND BALANCES - SEPTEMBER 30	\$ 305,216	\$ 117,206	\$ 15,783	\$ 438,205

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	WEEKI WACHEE		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL AND FINAL BUDGET	ACTUAL	
REVENUES			
Taxes	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0
Charges for Services, User Fees and Sales	0	0	0
Intergovernmental Revenues	0	0	0
Use of Money and Property	400	23	(377)
Miscellaneous Revenues	0	0	0
TOTAL REVENUES	400	23	(377)
EXPENDITURES			
General Government	0	0	0
Community and Economic Development	0	0	0
Public Works	0	0	0
Public Safety	0	0	0
Recreation and Culture	0	0	0
TOTAL EXPENDITURES	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	400	23	(377)
OTHER FINANCING SOURCES (USES)			
Operating Transfers In			
General Fund	0	0	0
Special Revenue Funds	0	0	0
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Trust Funds	0	0	0
Enterprise Funds	0	0	0
Total Transfers In	0	0	0
Operating Transfers Out			
General Fund	(400)	(25)	375
Special Revenue Funds	0	0	0
Debt Service Funds	0	0	0
Capital Project Funds	0	(60)	(60)
Total Transfers Out	(400)	(85)	315
TOTAL OTHER FINANCING SOURCES (USES)	(400)	(85)	315
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	(62)	(62)
BUDGETARY FUND BALANCES - OCTOBER 1			
Reserve for Encumbrances - September 30, 2004	14,922	14,922	0
Change in Prepaid Costs and Inventory	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 14,922	14,860	\$ (62)
RECONCILIATION OF BUDGET TO GAAP REPORTING			
Reserve for Encumbrances - September 30, 2005		0	
Reserve for Prepaid Costs and Inventory		0	
Recognition of Prior Year's Changes in Fair Value of Investments Held		63	
Recognition of Current Year's Changes in Fair Value of Investments Held		291	
FUND BALANCES - SEPTEMBER 30		\$ 15,214	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

FRANCHISE TAX				PROFESSIONAL SPORTS FACILITY SALES TAX		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 13,751	\$ 13,751	\$ 15,816	\$ 2,065	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	1,995	2,000	5
0	0	0	0	5	19	14
0	0	0	0	0	0	0
<u>13,751</u>	<u>13,751</u>	<u>15,816</u>	<u>2,065</u>	<u>2,000</u>	<u>2,019</u>	<u>19</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>13,751</u>	<u>13,751</u>	<u>15,816</u>	<u>2,065</u>	<u>2,000</u>	<u>2,019</u>	<u>19</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(13,751)	(15,408)	(15,408)	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	(2,464)	(2,393)	71
0	0	0	0	0	0	0
<u>(13,751)</u>	<u>(15,408)</u>	<u>(15,408)</u>	<u>0</u>	<u>(2,464)</u>	<u>(2,393)</u>	<u>71</u>
<u>(13,751)</u>	<u>(15,408)</u>	<u>(15,408)</u>	<u>0</u>	<u>(2,464)</u>	<u>(2,393)</u>	<u>71</u>
0	(1,657)	408	2,065	(464)	(374)	90
1,413	1,413	1,413	0	560	560	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 1,413</u>	<u>\$ (244)</u>	<u>1,821</u>	<u>\$ 2,065</u>	<u>\$ 96</u>	<u>186</u>	<u>\$ 90</u>
		0			0	
		0			0	
		0			0	
		0			0	
		<u>\$ 1,821</u>			<u>\$ 186</u>	

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	REDEVELOPMENT TAX INCREMENT			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User Fees and Sales	0	0	0	0
Intergovernmental Revenues	2,544	2,544	2,938	394
Use of Money and Property	0	0	4	4
Miscellaneous Revenues	0	0	0	0
TOTAL REVENUES	<u>2,544</u>	<u>2,544</u>	<u>2,942</u>	<u>398</u>
EXPENDITURES				
General Government	0	0	0	0
Community and Economic Development	0	0	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation and Culture	0	0	0	0
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>2,544</u>	<u>2,544</u>	<u>2,942</u>	<u>398</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	2,937	2,937	3,392	455
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Trust Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Transfers In	<u>2,937</u>	<u>2,937</u>	<u>3,392</u>	<u>455</u>
Operating Transfers Out				
General Fund	0	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	(5,481)	(6,222)	(6,222)	0
Capital Project Funds	0	0	0	0
Total Transfers Out	<u>(5,481)</u>	<u>(6,222)</u>	<u>(6,222)</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(2,544)</u>	<u>(3,285)</u>	<u>(2,830)</u>	<u>455</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>0</u>	<u>(741)</u>	<u>112</u>	<u>853</u>
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2004	169	169	169	0
Change in Prepaid Costs and Inventory	0	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 169</u>	<u>\$ (572)</u>	<u>281</u>	<u>\$ 853</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2005			0	
Reserve for Prepaid Costs and Inventory			0	
Recognition of Prior Year's Changes in Fair Value of Investments Held			0	
Recognition of Current Year's Changes in Fair Value of Investments Held			0	
FUND BALANCES - SEPTEMBER 30			<u>\$ 281</u>	

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

REDEVELOPMENT				ASSESSMENTS COLLECTION		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
1	1	16	15	27	99	72
0	0	0	0	100	92	(8)
<u>1</u>	<u>1</u>	<u>16</u>	<u>15</u>	<u>127</u>	<u>191</u>	<u>64</u>
0	0	0	0	0	0	0
0	0	0	0	89	89	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>89</u>	<u>89</u>	<u>0</u>
<u>1</u>	<u>1</u>	<u>16</u>	<u>15</u>	<u>38</u>	<u>102</u>	<u>64</u>
0	0	0	0	0	0	0
5,481	5,481	0	(5,481)	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>5,481</u>	<u>5,481</u>	<u>0</u>	<u>(5,481)</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
(5,481)	(6,355)	(284)	6,071	0	0	0
0	0	0	0	0	0	0
<u>(5,481)</u>	<u>(6,355)</u>	<u>(284)</u>	<u>6,071</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	(874)	(284)	590	0	0	0
<u>1</u>	<u>(873)</u>	<u>(268)</u>	<u>605</u>	<u>38</u>	<u>102</u>	<u>64</u>
215	215	215	0	131	131	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 216</u>	<u>\$ (658)</u>	<u>(53)</u>	<u>\$ 605</u>	<u>\$ 169</u>	<u>233</u>	<u>\$ 64</u>
		0			0	
		0			0	
		0			0	
		0			0	
		<u>\$ (53)</u>			<u>\$ 233</u>	

(Continued on next page)

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	PARKING			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	950	950	905	(45)
Charges for Services, User Fees and Sales	2,815	2,815	2,590	(225)
Intergovernmental Revenues	0	0	(0)	(0)
Use of Money and Property	117	117	104	(13)
Miscellaneous Revenues	0	0	4	4
TOTAL REVENUES	3,882	3,882	3,603	(279)
EXPENDITURES				
General Government	0	0	0	0
Community and Economic Development	0	0	0	0
Public Works	3,523	3,661	3,636	25
Public Safety	0	0	0	0
Recreation and Culture	0	0	0	0
TOTAL EXPENDITURES	3,523	3,661	3,636	25
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	359	221	(33)	(254)
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	0	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Trust Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Transfers In	0	0	0	0
Operating Transfers Out				
General Fund	(30)	(30)	(75)	(45)
Special Revenue Funds	0	0	0	0
Debt Service Funds	(1,546)	(773)	(290)	483
Capital Project Funds	773	(60)	(60)	0
Total Transfers Out	(803)	(863)	(425)	438
TOTAL OTHER FINANCING SOURCES (USES)	(803)	(863)	(425)	438
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(444)	(642)	(457)	185
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2004	815	815	815	0
Reserve for Encumbrances - September 30, 2004	0	0	36	36
Change in Prepaid Costs and Inventory	0	0	3	3
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 371	\$ 173	397	\$ 224
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2005			120	
Reserve for Prepaid Costs and Inventory			0	
Recognition of Prior Year's Changes in Fair Value of Investments Held			0	
Recognition of Current Year's Changes in Fair Value of Investments Held			0	
FUND BALANCES - SEPTEMBER 30			\$ 517	

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

LOCAL LAW ENFORCEMENT TRUST				LOCAL LAW ENFORCEMENT BLOCK GRANT			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
400	413	323	(90)	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	322	322	705	383
20	20	27	7	0	0	14	14
0	0	0	0	0	0	1	1
<u>420</u>	<u>433</u>	<u>350</u>	<u>(83)</u>	<u>322</u>	<u>322</u>	<u>720</u>	<u>398</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
84	503	77	426	0	743	809	(66)
0	0	0	0	0	0	0	0
<u>84</u>	<u>503</u>	<u>77</u>	<u>426</u>	<u>0</u>	<u>743</u>	<u>809</u>	<u>(66)</u>
<u>336</u>	<u>(70)</u>	<u>273</u>	<u>343</u>	<u>322</u>	<u>(421)</u>	<u>(89)</u>	<u>332</u>
0	0	0	0	0	0	0	0
0	0	0	0	36	36	0	(36)
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>36</u>	<u>36</u>	<u>0</u>	<u>(36)</u>
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	(400)	0	0	0	0	0	0
0	(400)	0	0	0	0	0	0
0	(400)	0	0	36	36	0	(36)
<u>336</u>	<u>(470)</u>	<u>273</u>	<u>743</u>	<u>358</u>	<u>(385)</u>	<u>(89)</u>	<u>296</u>
(12)	(12)	(12)	0	104	104	104	0
0	0	0	0	0	0	0	0
0	0	(3)	(3)	0	0	0	0
<u>\$ 336</u>	<u>\$ (482)</u>	<u>258</u>	<u>\$ 740</u>	<u>\$ 462</u>	<u>\$ (281)</u>	<u>15</u>	<u>\$ 296</u>
		0				0	
		11				3	
		0				0	
		0				0	
		<u>0</u>				<u>0</u>	
		<u>\$ 269</u>				<u>\$ 18</u>	

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CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	EMERGENCY MEDICAL SERVICES		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Taxes	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0
Charges for Services, User Fees and Sales	8,786	9,096	311
Intergovernmental Revenues	15	(1)	(16)
Use of Money and Property	26	25	(2)
Miscellaneous Revenues	0	38	38
TOTAL REVENUES	<u>8,827</u>	<u>9,158</u>	<u>331</u>
EXPENDITURES			
General Government	0	0	0
Community and Economic Development	0	0	0
Public Works	0	0	0
Public Safety	9,314	9,959	(645)
Recreation and Culture	0	0	0
TOTAL EXPENDITURES	<u>9,314</u>	<u>9,959</u>	<u>(645)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(487)</u>	<u>(801)</u>	<u>(314)</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In			
General Fund	0	0	0
Special Revenue Funds	0	0	0
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Trust Funds	0	0	0
Enterprise Funds	0	0	0
Total Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
Operating Transfers Out			
General Fund	0	0	0
Special Revenue Funds	(320)	0	320
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Total Transfers Out	<u>(320)</u>	<u>0</u>	<u>320</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(320)</u>	<u>0</u>	<u>320</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(807)</u>	<u>(801)</u>	<u>6</u>
BUDGETARY FUND BALANCES - OCTOBER 1	1,655	1,655	0
Reserve for Encumbrances - September 30, 2004	0	306	306
Change in Prepaid Costs and Inventory	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 848</u>	1,160	<u>\$ 312</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING			
Reserve for Encumbrances - September 30, 2005		53	
Reserve for Prepaid Costs and Inventory		1	
Recognition of Prior Year's Changes in Fair Value of Investments Held		0	
Recognition of Current Year's Changes in Fair Value of Investments Held		0	
FUND BALANCES - SEPTEMBER 30		<u>\$ 1,214</u>	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

ECONOMIC DEVELOPMENT			LOCAL HOUSING ASSISTANCE TRUST			
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	78	78	1,908	1,908	2,516	608
0	0	0	60	60	190	130
0	0	0	254	254	1,047	793
0	78	78	2,222	2,222	3,753	1,531
0	0	0	0	0	0	0
0	68	(68)	3,502	3,502	2,281	1,221
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	68	(68)	3,502	3,502	2,281	1,221
0	10	10	(1,280)	(1,280)	1,472	2,752
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	10	10	(1,280)	(1,280)	1,472	2,752
(119)	(119)	0	4,449	4,449	4,449	0
0	123	123	0	0	0	0
0	0	0	0	0	0	0
<u>\$ (119)</u>	<u>14</u>	<u>\$ 133</u>	<u>\$ 3,169</u>	<u>\$ 3,169</u>	<u>5,921</u>	<u>\$ 2,752</u>
	0				0	
	0				0	
	0				3	
	0				(54)	
	<u>\$ 14</u>				<u>\$ 5,870</u>	

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	TROPICANA FIELD			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User Fees and Sales	0	0	0	0
Intergovernmental Revenues	0	0	208	208
Use of Money and Property	973	973	1,046	73
Miscellaneous Revenues	0	0	0	0
TOTAL REVENUES	<u>973</u>	<u>973</u>	<u>1,254</u>	<u>281</u>
EXPENDITURES				
General Government	540	1,541	0	1,541
Community and Economic Development	0	0	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation and Culture	972	972	1,776	(804)
TOTAL EXPENDITURES	<u>1,512</u>	<u>2,513</u>	<u>1,776</u>	<u>737</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(539)</u>	<u>(1,540)</u>	<u>(522)</u>	<u>1,018</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	1,100	1,100	1,100	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Trust Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Transfers In	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>	<u>0</u>
Operating Transfers Out				
General Fund	0	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Total Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,100</u>	<u>1,100</u>	<u>1,100</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>561</u>	<u>(440)</u>	<u>578</u>	<u>1,018</u>
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2004	0	0	0	0
Change in Prepaid Costs and Inventory	0	0	155	155
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 2,272</u>	<u>\$ 1,271</u>	<u>2,444</u>	<u>\$ 1,173</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2005			0	
Reserve for Prepaid Costs and Inventory			155	
Recognition of Prior Year's Changes in Fair Value of Investments Held			0	
Recognition of Current Year's Changes in Fair Value of Investments Held			0	
FUND BALANCES - SEPTEMBER 30			<u>\$ 2,599</u>	

CITY OF ST. PETERSBURG, FLORIDA
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BAYFRONT CENTER			PIER			
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
1,384	1,289	(95)	425	425	516	91
0	0	0	0	0	30	30
6	0	(6)	913	913	969	56
<u>52</u>	<u>11</u>	<u>(41)</u>	<u>81</u>	<u>81</u>	<u>73</u>	<u>(8)</u>
<u>1,442</u>	<u>1,300</u>	<u>(142)</u>	<u>1,418</u>	<u>1,418</u>	<u>1,588</u>	<u>170</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>2,816</u>	<u>2,885</u>	<u>(69)</u>	<u>2,583</u>	<u>2,754</u>	<u>2,820</u>	<u>(66)</u>
<u>2,816</u>	<u>2,885</u>	<u>(69)</u>	<u>2,583</u>	<u>2,754</u>	<u>2,820</u>	<u>(66)</u>
<u>(1,374)</u>	<u>(1,585)</u>	<u>(211)</u>	<u>(1,165)</u>	<u>(1,336)</u>	<u>(1,232)</u>	<u>104</u>
1,353	1,423	70	1,217	1,217	1,217	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,353</u>	<u>1,423</u>	<u>70</u>	<u>1,217</u>	<u>1,217</u>	<u>1,217</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,353</u>	<u>1,423</u>	<u>70</u>	<u>1,217</u>	<u>1,217</u>	<u>1,217</u>	<u>0</u>
<u>(21)</u>	<u>(162)</u>	<u>(141)</u>	<u>52</u>	<u>(119)</u>	<u>(15)</u>	<u>104</u>
177	177	0	36	36	36	0
0	0	0	0	0	0	0
<u>0</u>	<u>10</u>	<u>10</u>	<u>0</u>	<u>0</u>	<u>(3)</u>	<u>(3)</u>
<u>\$ 177</u>	<u>25</u>	<u>\$ 10</u>	<u>\$ 88</u>	<u>\$ (83)</u>	<u>18</u>	<u>\$ 101</u>
	14				0	
	35				43	
	0				0	
	<u>0</u>				<u>0</u>	
	<u>\$ 74</u>				<u>\$ 61</u>	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
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SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	COLISEUM			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User Fees and Sales	524	524	654	130
Intergovernmental Revenues	0	0	0	0
Use of Money and Property	1	1	4	3
Miscellaneous Revenues	5	5	2	(3)
TOTAL REVENUES	<u>530</u>	<u>530</u>	<u>660</u>	<u>130</u>
EXPENDITURES				
General Government	0	0	0	0
Community and Economic Development	0	0	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation and Culture	650	813	782	31
TOTAL EXPENDITURES	<u>650</u>	<u>813</u>	<u>782</u>	<u>31</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(120)</u>	<u>(283)</u>	<u>(122)</u>	<u>161</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	120	120	47	(73)
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Trust Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Transfers In	<u>120</u>	<u>120</u>	<u>47</u>	<u>73</u>
Operating Transfers Out				
General Fund	0	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Total Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>120</u>	<u>120</u>	<u>47</u>	<u>73</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>0</u>	<u>(163)</u>	<u>(75)</u>	<u>88</u>
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2004	0	0	5	5
Change in Prepaid Costs and Inventory	0	0	3	3
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 67</u>	<u>\$ (96)</u>	<u>0</u>	<u>\$ 96</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2005			4	
Reserve for Prepaid Costs and Inventory			9	
Recognition of Prior Year's Changes in Fair Value of Investments Held			0	
Recognition of Current Year's Changes in Fair Value of Investments Held			0	
FUND BALANCES - SEPTEMBER 30			<u>\$ 13</u>	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

SUNKEN GARDENS				MISCELLANEOUS TRUSTS		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	100	54	(46)
650	650	611	(39)	1,400	483	(917)
0	0	7	7	0	0	0
0	0	3	3	0	85	85
0	0	2	2	0	261	261
<u>650</u>	<u>650</u>	<u>624</u>	<u>(26)</u>	<u>1,500</u>	<u>883</u>	<u>(617)</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	100	58	42
<u>709</u>	<u>811</u>	<u>816</u>	<u>(5)</u>	<u>1,400</u>	<u>626</u>	<u>774</u>
<u>709</u>	<u>811</u>	<u>816</u>	<u>(5)</u>	<u>1,500</u>	<u>684</u>	<u>816</u>
<u>(59)</u>	<u>(161)</u>	<u>(192)</u>	<u>(31)</u>	<u>0</u>	<u>199</u>	<u>199</u>
65	65	155	90	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>65</u>	<u>65</u>	<u>155</u>	<u>(90)</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	(1,517)	(1,517)
0	0	0	0	0	(1,517)	(1,517)
<u>65</u>	<u>65</u>	<u>155</u>	<u>90</u>	<u>0</u>	<u>(1,517)</u>	<u>(1,517)</u>
<u>6</u>	<u>(96)</u>	<u>(37)</u>	<u>59</u>	<u>0</u>	<u>(1,318)</u>	<u>(1,318)</u>
6	6	6	0	3,046	3,046	0
0	0	0	0	0	0	0
0	0	19	19	0	0	0
<u>\$ 12</u>	<u>\$ (90)</u>	<u>(12)</u>	<u>\$ 228</u>	<u>\$ 3,046</u>	<u>1,728</u>	<u>\$ (1,318)</u>
		46			0	
		17			0	
		0			(34)	
		0			0	
		<u>\$ 51</u>			<u>\$ 1,694</u>	

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
 DEBT SERVICE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	PUBLIC IMPROVEMENT		
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES			
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0
Use of Money and Property	32	101	69
TOTAL REVENUES	32	101	69
EXPENDITURES			
Debt Service			
Principal Payments	5,540	5,540	0
Interest Payments	934	933	1
Remarketing and Other Fees	0	0	0
Bond Costs	0	0	0
TOTAL EXPENDITURES	6,474	6,473	1
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,442)	(6,372)	70
OTHER FINANCING SOURCES (USES)			
Operating Transfers In			
General Fund	0	0	0
Special Revenue Funds	6,191	6,372	181
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Enterprise Funds	0	0	0
Total Operating Transfers In	6,191	6,372	181
Operating Transfers Out			
Debt Service Funds	0	0	0
Special Revenue Funds	0	0	0
Total Operating Transfers Out	0	0	0
Bond Proceeds	0	0	0
Payments to Escrow Agents	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	6,191	6,372	181
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(251)	0	251
BUDGETARY FUND BALANCES - OCTOBER 1	1,633	1,633	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 1,382	1,633	\$ 251
RECONCILIATION OF BUDGET TO GAAP REPORTING			
Recognition of Prior Year's Changes in			
Fair Value of Investments Held		0	
Recognition of Current Year's Changes in			
Fair Value of Investments Held		0	
FUND BALANCES - SEPTEMBER 30		\$ 1,633	

CITY OF ST. PETERSBURG, FLORIDA
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UTILITY TAX			EXCISE TAX		
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
45	71	26	75	90	15
<u>45</u>	<u>71</u>	<u>26</u>	<u>75</u>	<u>90</u>	<u>15</u>
2,195	2,195	0	4,840	4,840	0
626	626	0	3,602	3,602	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,821	2,821	0	8,442	8,442	0
<u>(2,776)</u>	<u>(2,750)</u>	<u>26</u>	<u>(8,367)</u>	<u>(8,352)</u>	<u>15</u>
0	0	0	0	0	0
2,780	2,755	(25)	8,470	8,455	(15)
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,780	2,755	(25)	8,470	8,455	(15)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2,780	2,755	(25)	8,470	8,455	(15)
4	5	1	103	104	1
<u>2,467</u>	<u>2,467</u>	<u>0</u>	<u>6,694</u>	<u>6,694</u>	<u>0</u>
<u>\$ 2,471</u>	<u>2,472</u>	<u>\$ 1</u>	<u>\$ 6,797</u>	<u>6,798</u>	<u>\$ 1</u>
	0			0	
	<u>0</u>			<u>0</u>	
	<u>\$ 2,472</u>			<u>\$ 6,798</u>	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
 DEBT SERVICE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005
 (In Thousands)

	PROFESSIONAL SPORTS FACILITY SALES TAX			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0	\$ 0
Use of Money and Property	15	15	19	4
TOTAL REVENUES	15	15	19	4
EXPENDITURES				
Debt Service				
Principal Payments	625	642	975	(333)
Interest Payments	1,356	1,356	1,023	333
Remarketing and Other Fees	0	0	0	0
Bond Costs	0	0	0	0
TOTAL EXPENDITURES	1,981	1,998	1,998	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,966)	(1,983)	(1,979)	4
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	0	0	0	0
Special Revenue Funds	1,980	1,980	1,909	(71)
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Operating Transfers In	1,980	1,980	1,909	(71)
Operating Transfers Out				
Debt Service Funds	0	0	0	0
Special Revenue Funds	0	0	0	0
Total Operating Transfers Out	0	0	0	0
Bond Proceeds				
Payments to Escrow Agents	0	(17)	0	17
TOTAL OTHER FINANCING SOURCES (USES)	1,980	1,963	1,909	(54)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	14	(20)	(70)	(50)
BUDGETARY FUND BALANCES - OCTOBER 1	1,491	1,491	1,491	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 1,505	\$ 1,471	1,422	\$ (49)
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Recognition of Prior Year's Changes in				
Fair Value of Investments Held			0	
Recognition of Current Year's Changes in				
Fair Value of Investments Held			0	
FUND BALANCES - SEPTEMBER 30			\$ 1,422	

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FIRST FLORIDA			CAPITAL IMPROVEMENT VARIABLE RATE		
ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
67	19	(48)	0	0	0
67	19	(48)	0	0	0
2,955	2,955	0	765	230	535
1,375	1,375	0	497	99	398
10	6	4	39	0	39
0	0	0	0	0	0
4,340	4,336	4	1,301	329	972
(4,273)	(4,317)	(44)	(1,301)	(329)	972
0	4,031	4,031	1,301	329	(972)
4,273	271	(4,002)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,273	4,303	30	1,301	329	(972)
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,273	4,303	30	1,301	329	(972)
0	(14)	(14)	0	0	0
773	773	0	0	0	0
<u>\$ 773</u>	759	<u>\$ (14)</u>	<u>\$ 0</u>	0	<u>\$ 0</u>
	100			0	
	0			0	
	<u>\$ 859</u>			<u>\$ 0</u>	

(Continued on next page)

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

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
DEBT SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005
(In Thousands)

	SUNSHINE STATE			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
REVENUES				
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0	\$ 0
Use of Money and Property	1	1	7	6
TOTAL REVENUES	<u>1</u>	<u>1</u>	<u>7</u>	<u>6</u>
EXPENDITURES				
Debt Service				
Principal Payments	1,265	1,284	1,265	19
Interest Payments	202	202	220	(18)
Remarketing and Other Fees	22	22	23	(1)
Bond Costs	0	0	0	0
TOTAL EXPENDITURES	<u>1,489</u>	<u>1,508</u>	<u>1,508</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,488)</u>	<u>(1,507)</u>	<u>(1,501)</u>	<u>6</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	1,483	1,483	145	(1,338)
Special Revenue Funds	0	0	152	152
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	1,510	1,510
Enterprise Funds	0	0	0	0
Total Operating Transfers In	<u>1,483</u>	<u>1,483</u>	<u>1,807</u>	<u>324</u>
Operating Transfers Out				
Debt Service Funds	0	0	0	0
Special Revenue Funds	0	0	0	0
Total Operating Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Bond Proceeds	0	0	0	0
Payments to Escrow Agents	0	(19)	0	19
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,483</u>	<u>1,464</u>	<u>1,807</u>	<u>343</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(5)</u>	<u>(43)</u>	<u>306</u>	<u>349</u>
BUDGETARY FUND BALANCES - OCTOBER 1	<u>164</u>	<u>164</u>	<u>164</u>	<u>0</u>
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 159</u>	<u>\$ 121</u>	<u>470</u>	<u>\$ 349</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Recognition of Prior Year's Changes in				
Fair Value of Investments Held			0	
Recognition of Current Year's Changes in				
Fair Value of Investments Held			<u>0</u>	
FUND BALANCES - SEPTEMBER 30			<u>\$ 470</u>	

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2005

	<u>AIRPORT</u>	<u>PORT</u>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 161,972	\$ 411,657
Accounts Receivable	87,585	363,960
Due from Other Governmental Agencies		
Grants	161,482	57,074
Inventories	0	0
Prepaid Expenses and Deposits	173	0
Restricted Assets		
Trustee Accounts		
Cash and Cash Equivalents	238,045	0
Total Current Assets	<u>649,257</u>	<u>832,691</u>
NONCURRENT ASSETS		
Capital Assets		
Land	1,912,168	1,001,500
Buildings	2,530,995	1,590,924
Improvements	7,757,771	2,402,510
Machinery and Equipment	662,163	63,929
Accumulated Depreciation	(4,810,059)	(2,708,700)
Projects in Progress	305,077	1,245,486
Total Capital Assets	<u>8,358,115</u>	<u>3,595,649</u>
Other Assets		
Unamortized Loan Issuance Costs	34,283	0
Total Other Assets	<u>34,283</u>	<u>0</u>
Total Noncurrent Assets	<u>8,392,398</u>	<u>3,595,649</u>
TOTAL ASSETS	<u>9,041,655</u>	<u>4,428,340</u>
LIABILITIES		
CURRENT LIABILITIES		
Vouchers and Accounts Payable	60,394	10,893
Accrued Salaries	48,711	9,389
Accrued Annual Leave	0	4,262
Due to Other Governmental Agencies	0	28,893
Bonds and Notes Payable - Current Portion	220,000	0
Deposits and Other Liabilities	4,500	134,393
Total Current Liabilities	<u>333,605</u>	<u>187,830</u>
LONG-TERM LIABILITIES		
Accrued Annual Leave	11,196	5,263
Less Current Portion	0	(4,262)
Revenue Bonds Payable	2,520,000	0
Less Current Portion	(220,000)	0
Total Long-term Liabilities	<u>2,311,196</u>	<u>1,001</u>
TOTAL LIABILITIES	<u>2,644,801</u>	<u>188,831</u>
NET ASSETS		
Invested in Capital Assets, Net of Related Debt	6,076,159	3,595,649
Restricted		
Capital Projects - Debt Funded	238,045	0
Unrestricted	82,650	643,860
TOTAL NET ASSETS	<u>\$ 6,396,854</u>	<u>\$ 4,239,509</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

MARINA	GOLF COURSE	JAMESTOWN COMPLEX	TOTAL
\$ 3,177,970	\$ 340,385	\$ 154,771	\$ 4,246,755
47,443	3,666	287	502,941
2,010	44,160	0	264,726
2,241	97,614	0	99,855
0	3,500	0	3,673
0	0	0	238,045
3,229,664	489,325	155,058	5,355,995
0	392,907	215,516	3,522,091
3,032,047	1,642,657	1,317,237	10,113,860
5,528,516	6,299,469	184,247	22,172,513
466,430	1,504,881	249,227	2,946,630
(6,389,302)	(6,421,644)	(1,385,190)	(21,714,895)
840,236	0	0	2,390,799
3,477,927	3,418,270	581,037	19,430,998
0	0	0	34,283
0	0	0	34,283
3,477,927	3,418,270	581,037	19,465,281
6,707,591	3,907,595	736,095	24,821,276
18,313	47,506	6,187	143,293
21,221	50,724	7,376	137,421
285	967	6,537	12,051
0	0	0	28,893
0	345,000	0	565,000
46,520	87,886	36,046	309,345
86,339	532,083	56,146	1,196,003
41,058	158,889	36,724	253,130
(285)	(967)	(6,537)	(12,051)
0	345,000	0	2,865,000
0	(345,000)	0	(565,000)
40,773	157,922	30,187	2,541,079
127,112	690,005	86,333	3,737,082
3,477,926	3,073,270	581,037	16,804,041
0	0	0	238,045
3,102,553	144,320	68,725	4,042,108
<u>\$ 6,580,479</u>	<u>\$ 3,217,590</u>	<u>\$ 649,762</u>	<u>\$ 21,084,194</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	AIRPORT	PORT
OPERATING REVENUES		
Sales and Concessions	\$ 0	\$ 13,501
Service Charges and Fees	0	512,120
Rentals and Parking	684,057	205,438
Total Operating Revenues	684,057	731,059
OPERATING EXPENSES		
Personal Services and Benefits	384,417	480,620
Supplies, Services, and Claims	215,830	540,584
General Administrative Charges	37,008	48,996
Depreciation	391,935	111,743
Total Operating Expenses	1,029,190	1,181,943
OPERATING INCOME (LOSS)	(345,133)	(450,884)
NONOPERATING REVENUES (EXPENSES)		
Intergovernmental Revenues	187,971	277,056
Earnings on Investments	15,814	12,354
Interest Expense	(15,769)	0
Financing Fees and Premium Paid	(10,554)	0
Amortization of Bond Discount and Issue Cost	(2,051)	0
Gain (Loss) on Disposition of Capital Assets	0	0
Miscellaneous Revenues	23,968	264
Total Nonoperating Revenues (Expenses)	199,379	289,674
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	(145,754)	(161,210)
CONTRIBUTIONS		
Contributions from Citizens	0	0
Total Contributions	0	0
TRANSFERS IN (OUT)		
Transfers In		
General Fund	0	392,000
Transfers Out		
General Fund	0	0
Payment in Lieu of Taxes - General Fund	(91,788)	(37,800)
Total Transfers In (Out)	(91,788)	354,200
CHANGE IN NET ASSETS	(237,542)	192,990
NET ASSETS - OCTOBER 1	6,634,396	4,046,519
NET ASSETS - SEPTEMBER 30	\$ 6,396,854	\$ 4,239,509

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

MARINA	GOLF COURSE	JAMESTOWN COMPLEX	TOTAL
\$ 28,868	\$ 619,622	\$ 0	\$ 661,991
7,370	2,557,518	0	3,077,008
<u>2,047,063</u>	<u>451,631</u>	<u>466,883</u>	<u>3,855,072</u>
<u>2,083,301</u>	<u>3,628,771</u>	<u>466,883</u>	<u>7,594,071</u>
796,996	2,020,968	270,658	3,953,659
427,126	1,075,679	172,834	2,432,053
75,996	189,000	0	351,000
<u>305,918</u>	<u>412,132</u>	<u>48,585</u>	<u>1,270,313</u>
<u>1,606,036</u>	<u>3,697,779</u>	<u>492,077</u>	<u>8,007,025</u>
<u>477,265</u>	<u>(69,008)</u>	<u>(25,194)</u>	<u>(412,954)</u>
23,454	49,508	0	537,989
80,786	14,482	2,686	126,122
0	(7,419)	0	(23,188)
0	(1,814)	0	(12,368)
0	(4,700)	0	(6,751)
0	(45)	0	(45)
<u>112</u>	<u>10,337</u>	<u>10,626</u>	<u>45,307</u>
<u>104,352</u>	<u>60,349</u>	<u>13,312</u>	<u>667,066</u>
<u>581,617</u>	<u>(8,659)</u>	<u>(11,882)</u>	<u>254,112</u>
<u>0</u>	<u>90,888</u>	<u>0</u>	<u>90,888</u>
<u>0</u>	<u>90,888</u>	<u>0</u>	<u>90,888</u>
0	0	0	392,000
(300,000)	0	0	(300,000)
<u>(67,488)</u>	<u>(67,440)</u>	<u>(14,016)</u>	<u>(278,532)</u>
<u>(367,488)</u>	<u>(67,440)</u>	<u>(14,016)</u>	<u>(186,532)</u>
<u>214,129</u>	<u>14,789</u>	<u>(25,898)</u>	<u>158,468</u>
<u>6,366,350</u>	<u>3,202,801</u>	<u>675,660</u>	<u>20,925,726</u>
<u>\$ 6,580,479</u>	<u>\$ 3,217,590</u>	<u>\$ 649,762</u>	<u>\$ 21,084,194</u>

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

COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS

FISCAL YEAR ENDED SEPTEMBER 30, 2005

	AIRPORT	PORT
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	\$ 665,279	\$ 381,265
Payments to Suppliers	(175,798)	(588,155)
Payments to Employees	(336,624)	(482,666)
Internal Activity - Payments to Other Funds	(64,228)	(120,374)
Claims paid	0	(588)
Net cash provided (used) by operating activities	<u>88,629</u>	<u>(810,518)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental Revenue	43,545	0
Grants and Aids Out	0	339,244
Transfers In	0	392,000
Transfers Out	(91,788)	(37,800)
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>(48,243)</u>	<u>693,444</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(209,744)	(235,804)
Principal Paid on Revenue Bond Maturities	(210,000)	0
Interest Paid on Revenue Bonds	(54,769)	0
Variable Rate Bond Fees	(10,554)	0
Capital Contributed by Developers and Citizens	0	0
Net Cash Used For Capital and Related Financing Activities	<u>(485,067)</u>	<u>(235,804)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	15,814	12,354
Net Cash Provided by Investment Activities	<u>15,814</u>	<u>12,354</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(428,867)</u>	<u>(340,524)</u>
CASH AND CASH EQUIVALENTS - OCTOBER 1	<u>828,884</u>	<u>752,181</u>
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	<u>\$ 400,017</u>	<u>\$ 411,657</u>
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (345,133)	\$ (450,884)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	391,935	111,743
Other Revenues (Expenses)	23,968	264
(Increase) Decrease in Accounts Receivable	(42,746)	(264,607)
(Increase) Decrease in Inventories	0	0
(Increase) Decrease in Prepaid Expenses and Deposits	0	37,576
Increase (Decrease) in Vouchers and Accounts Payable	11,312	(157,114)
Increase (Decrease) in Accrued Salaries	45,499	(256)
Increase (Decrease) in Accrued Annual Leave	2,294	(1,790)
Increase (Decrease) in Deposits	1,500	(85,450)
Net Cash Provided (Used) by Operating Activities	<u>\$ 88,629</u>	<u>\$ (810,518)</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

MARINA	GOLF COURSE	JAMESTOWN COMPLEX	TOTALS
\$ 2,122,681 (505,531) (792,228) (174,996) (5,892) <hr/> 644,034 23,505 0 0 (367,488) <hr/> (343,983) (126,640) 0 0 0 0 <hr/> (126,640) 80,786 <hr/> 80,786 254,197 <hr/> 2,923,773 \$ <u>3,177,970</u>	\$ 3,656,281 (958,528) (1,949,721) (293,244) (10,428) <hr/> 444,360 5,348 0 0 (67,440) <hr/> (62,092) (89,535) (325,000) (7,418) (1,814) 90,888 <hr/> (332,879) 14,482 <hr/> 14,482 63,871 <hr/> 276,514 \$ <u>340,385</u>	\$ 481,696 (131,514) (273,147) (36,572) (3,360) <hr/> 37,103 0 0 0 (14,016) <hr/> (14,016) (2,712) 0 0 0 0 <hr/> (2,712) 2,686 <hr/> 2,686 23,061 <hr/> 131,710 \$ <u>154,771</u>	\$ 7,307,202 (2,359,526) (3,834,386) (689,414) (20,268) <hr/> 403,608 72,398 339,244 392,000 (578,532) <hr/> 225,110 (664,435) (535,000) (62,187) (12,368) 90,888 <hr/> (1,183,102) 126,122 <hr/> 126,122 (428,262) <hr/> 4,913,062 \$ <u>4,484,800</u>
\$ 477,265 305,918 112 38,005 382 0 (183,679) 2,222 2,546 1,263 <hr/> 644,034 \$ <u>644,034</u>	\$ (69,008) 412,132 10,337 (3,666) (3,464) 0 5,944 11,222 60,025 20,838 <hr/> 444,360 \$ <u>444,360</u>	\$ (25,194) 48,585 10,626 1,252 0 0 1,388 180 (2,669) 2,935 <hr/> 37,103 \$ <u>37,103</u>	\$ (412,954) 1,270,313 45,307 (271,762) (3,082) 37,576 (322,149) 58,867 60,406 (58,914) <hr/> 403,608 \$ <u>403,608</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

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.

Print Shop - This fund is used to account for printing, binding, and copying services.

Information and Communications Services - This fund is used to account for central data processing and telephone systems and 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 - This fund is used to account for insurance and risk management services for all funds.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2005

	EQUIPMENT MAINTENANCE	FACILITIES MAINTENANCE	PRINT SHOP
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 4,330,021	\$ 2,185,355	\$ 15,834
Investments	18,198,411	0	0
Receivables			
Accounts	21,690	0	0
Accrued Interest	195,064	0	0
Due From Other Governmental Agencies	606	0	0
Inventories	635,816	0	5,609
Prepaid Expenses	0	0	1,175
Total Current Assets	23,381,608	2,185,355	22,618
NONCURRENT ASSETS			
Capital Assets			
Land	1,076,640	770,000	0
Buildings	3,222,482	6,629,440	0
Improvements	667,004	2,066,804	2,312
Machinery and Equipment	46,507,851	4,311,391	301,388
Accumulated Depreciation	(35,535,990)	(6,809,796)	(290,158)
Total Capital Assets	15,937,987	6,967,839	13,542
TOTAL ASSETS	39,319,595	9,153,194	36,160
LIABILITIES			
CURRENT LIABILITIES			
Vouchers and Accounts Payable	796,802	493,810	10,886
Accrued Salaries	46,198	16,643	4,632
Accrued Annual Leave	33,360	0	0
Due To Other Governmental Agencies	0	0	0
Other Accrued Liabilities			
Claims - Current Portion	0	0	0
Deposits and Other	0	0	0
Total Current Liabilities	876,360	510,453	15,518
LONG-TERM LIABILITIES			
Accrued Annual Leave	255,974	24,426	2,107
Less Current Portion	(33,360)	0	0
Claims	0	0	0
Less Current Portion	0	0	0
Total Long-term Liabilities	222,614	24,426	2,107
TOTAL LIABILITIES	1,098,974	534,879	17,625
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	15,937,987	6,967,839	13,542
Unrestricted	22,282,634	1,650,476	4,993
TOTAL NET ASSETS	\$ 38,220,621	\$ 8,618,315	\$ 18,535

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

INFORMATION AND COMMUNICATION SERVICES	BILLING AND COLLECTIONS	CONSOLIDATED INVENTORY	INSURANCE	TOTAL
\$ 3,178,747	\$ 8,724,448	\$ 533,721	\$ 13,699,668	\$ 32,667,794
2,458,600	0	0	11,613,128	32,270,139
0	858,773	8,766	21,264	910,493
12,762	0	0	73,564	281,390
0	0	0	0	606
0	0	675,101	0	1,316,526
262,168	0	0	1,389,039	1,652,382
<u>5,912,277</u>	<u>9,583,221</u>	<u>1,217,588</u>	<u>26,796,663</u>	<u>69,099,330</u>
49,940	0	0	0	1,896,580
7,594	0	282,620	0	10,142,136
18,100	4,483	5,913	0	2,764,616
19,646,383	499,472	56,729	68,653	71,391,867
(14,557,829)	(413,156)	(201,731)	(65,028)	(57,873,688)
<u>5,164,188</u>	<u>90,799</u>	<u>143,531</u>	<u>3,625</u>	<u>28,321,511</u>
<u>11,076,465</u>	<u>9,674,020</u>	<u>1,361,119</u>	<u>26,800,288</u>	<u>97,420,841</u>
478,543	113,027	967,497	2,675,020	5,535,585
148,622	136,103	4,283	19,596	376,077
33,379	1,994	0	0	68,733
0	876,321	0	0	876,321
0	0	0	4,346,200	4,346,200
0	5,797,874	0	4,728	5,802,602
<u>660,544</u>	<u>6,925,319</u>	<u>971,780</u>	<u>7,045,544</u>	<u>17,005,518</u>
361,615	250,993	6,699	46,578	948,392
(33,379)	(1,994)	0	0	(68,733)
0	0	0	18,864,000	18,864,000
0	0	0	(4,346,200)	(4,346,200)
<u>328,236</u>	<u>248,999</u>	<u>6,699</u>	<u>14,564,378</u>	<u>15,397,459</u>
<u>988,780</u>	<u>7,174,318</u>	<u>978,479</u>	<u>21,609,922</u>	<u>32,402,977</u>
5,164,188	90,799	143,531	3,625	28,321,511
<u>4,923,497</u>	<u>2,408,903</u>	<u>239,109</u>	<u>5,186,741</u>	<u>36,696,353</u>
<u>\$ 10,087,685</u>	<u>\$ 2,499,702</u>	<u>\$ 382,640</u>	<u>\$ 5,190,366</u>	<u>\$ 65,017,864</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET ASSETS
 INTERNAL SERVICE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>EQUIPMENT MAINTENANCE</u>	<u>FACILITIES MAINTENANCE</u>	<u>PRINT SHOP</u>
OPERATING REVENUES			
Service Charges	\$ 10,642,008	\$ 1,417	\$ 344,282
Rentals	<u>4,591,127</u>	<u>2,301,018</u>	<u>0</u>
Total Operating Revenues	<u>15,233,135</u>	<u>2,302,435</u>	<u>344,282</u>
OPERATING EXPENSES			
Personal Services and Benefits	3,373,144	830,345	167,776
Supplies, Services and Claims	7,719,118	1,068,346	209,017
Depreciation	<u>4,263,530</u>	<u>815,351</u>	<u>8,103</u>
Total Operating Expenses	<u>15,355,792</u>	<u>2,714,042</u>	<u>384,896</u>
OPERATING INCOME (LOSS)	<u>(122,657)</u>	<u>(411,607)</u>	<u>(40,614)</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental Revenue	(540)	1,078	0
Earnings on Investments	447,250	41,968	0
Securities Lending Income	346,457	3,641	0
Securities Lending Expense			
Interest	(329,248)	(3,465)	0
Agent Fees	(6,883)	(70)	0
Gain (Loss) on Disposition of Fixed Assets	395,057	0	0
Miscellaneous Revenues (Expenses)	<u>(3)</u>	<u>0</u>	<u>0</u>
Total Nonoperating Revenues (Expenses)	<u>852,090</u>	<u>43,152</u>	<u>0</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>729,433</u>	<u>(368,455)</u>	<u>(40,614)</u>
CONTRIBUTIONS			
Capital Assets From (To) Other Funds			
Capital Assets In	<u>646</u>	<u>1,288,704</u>	<u>0</u>
Total Contributions	<u>646</u>	<u>1,288,704</u>	<u>0</u>
TRANSFERS			
Transfers From (To) Other Funds			
General Fund	0	0	118,000
Capital Project Funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers	<u>0</u>	<u>0</u>	<u>118,000</u>
CHANGE IN NET ASSETS	730,079	920,249	77,386
NET ASSETS - OCTOBER 1	<u>37,490,542</u>	<u>7,698,066</u>	<u>(58,851)</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 38,220,621</u>	<u>\$ 8,618,315</u>	<u>\$ 18,535</u>

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

INFORMATION AND COMMUNICATIONS SERVICES	BILLING AND COLLECTIONS	CONSOLIDATED INVENTORY	INSURANCE	TOTAL
\$ 9,667,992	\$ 7,991,915	\$ 464,568	\$ 39,961,483	\$ 69,073,665
<u>2,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,894,145</u>
<u>9,669,992</u>	<u>7,991,915</u>	<u>464,568</u>	<u>39,961,483</u>	<u>75,967,810</u>
4,825,308	4,637,536	259,355	782,441	14,875,905
4,527,535	2,814,096	974,079	39,841,876	57,154,067
<u>2,281,115</u>	<u>55,299</u>	<u>6,736</u>	<u>3,305</u>	<u>7,433,439</u>
<u>11,633,958</u>	<u>7,506,931</u>	<u>1,240,170</u>	<u>40,627,622</u>	<u>79,463,411</u>
<u>(1,963,966)</u>	<u>484,984</u>	<u>(775,602)</u>	<u>(666,139)</u>	<u>(3,495,601)</u>
(2,171)	409	252	0	(972)
121,015	237,318	1,169	468,101	1,316,821
22,132	91,998	0	194,579	658,807
(21,220)	(87,143)	0	(184,456)	(625,532)
(365)	(1,942)	0	(4,049)	(13,309)
(3,382)	(49)	0	0	391,626
<u>469</u>	<u>255,863</u>	<u>0</u>	<u>0</u>	<u>256,329</u>
<u>116,478</u>	<u>496,454</u>	<u>1,421</u>	<u>474,175</u>	<u>1,983,770</u>
<u>(1,847,488)</u>	<u>981,438</u>	<u>(774,181)</u>	<u>(191,964)</u>	<u>(1,511,831)</u>
3,184	0	0	0	1,292,534
<u>3,184</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,292,534</u>
0	0	0	0	118,000
<u>(95,580)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(95,580)</u>
<u>(95,580)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,420</u>
(1,939,884)	981,438	(774,181)	(191,964)	(196,877)
<u>12,027,569</u>	<u>1,518,264</u>	<u>1,156,821</u>	<u>5,382,330</u>	<u>65,214,741</u>
<u>\$ 10,087,685</u>	<u>\$ 2,499,702</u>	<u>\$ 382,640</u>	<u>\$ 5,190,366</u>	<u>\$ 65,017,864</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005

	<u>EQUIPMENT MAINTENANCE</u>	<u>FACILITIES MAINTENANCE</u>	<u>PRINT SHOP</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 15,227,327	\$ 2,302,435	\$ 344,282
Payments to Suppliers	(843,326)	(134,180)	(103,763)
Payments to Employees	(3,399,651)	(818,556)	(166,836)
Internal Activity - Payments to Other Funds	(6,677,309)	(439,240)	(104,470)
Claims Paid	0	0	0
Net Cash Provided by Operating Activities	<u>4,307,041</u>	<u>910,459</u>	<u>(30,787)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenue	5,644	\$ 1,078	0
Transfers in	0	0	118,000
Transfers out	0	0	(78,000)
Net Cash Provided by (Used for) Noncapital Activity	<u>5,644</u>	<u>1,078</u>	<u>40,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(6,571,253)	0	0
Proceeds from Sale of Capital Assets and Recoveries	422,146	0	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(6,149,107)</u>	<u>0</u>	<u>0</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investment Securities	(7,752,300)	0	0
Proceeds from Sale and Maturities of Investment Securities	4,631,234	0	0
Interest on Investments (Including Securities Lending Income)	1,186,092	45,610	0
Securities Lending Expenses and Fees	(336,131)	(3,535)	0
Net Cash Provided by (Used for) Investing Activities	<u>(2,271,105)</u>	<u>42,075</u>	<u>0</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(4,107,527)	953,612	9,213
CASH AND CASH EQUIVALENTS - OCTOBER 1	<u>8,437,548</u>	<u>1,231,743</u>	<u>6,621</u>
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	<u>\$ 4,330,021</u>	<u>\$ 2,185,355</u>	<u>\$ 15,834</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	(122,657)	(411,607)	(40,614)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation	4,263,530	815,351	8,103
Other Revenue (Expenses)	(3)	0	0
(Increase) Decrease in Accounts Receivable	(5,805)	0	0
(Increase) Decrease in Inventory	(164,635)	0	(5,437)
(Increase) Decrease in Prepaid Expenses and Deposits	0	123,154	(1,175)
Increase (Decrease) in Vouchers and Accounts Payable	363,118	373,172	7,396
Increase (Decrease) in Accrued Salaries	5,318	2,895	527
Increase (Decrease) in Accrued Vacation	(31,825)	8,894	413
Increase (Decrease) in Retainage	0	(1,400)	0
(Increase) Decrease in Due to Other Governmental Agencies	0	0	0
Increase (Decrease) in Deposits	0	0	0
Increase (Decrease) in Claims	0	0	0
Net Cash Provided by (Used for) Operating Activities	<u>\$ 4,307,041</u>	<u>\$ 910,459</u>	<u>\$ (30,787)</u>
Noncash Investing, Capital, and Financing Activities			
Contributions of Capital Assets from Other Funds	\$ 646	\$ 1,288,704	\$ 0
Increase in Claims	0	0	0
Increase (Decrease) in Fair Market Value of Investments	(361,150)	0	0

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

INFORMATION AND COMMUNICATION SERVICES	BILLING AND COLLECTIONS	CONSOLIDATED INVENTORY	INSURANCE	TOTAL
\$ 9,670,953	\$ 8,203,962	\$ 465,073	\$ 39,941,462	\$ 76,155,494
(1,330,868)	(619,177)	(416,875)	(32,934,922)	(36,383,111)
(4,799,590)	(4,609,944)	(266,324)	(789,913)	(14,850,814)
(3,245,828)	(2,090,229)	(56,327)	(115,216)	(12,728,619)
0	0	0	(5,398,893)	(5,398,893)
<u>294,667</u>	<u>884,612</u>	<u>(274,453)</u>	<u>702,518</u>	<u>6,794,057</u>
4,633	409	252	0	12,016
0	0	0	0	118,000
(95,580)	0	0	0	(173,580)
<u>(90,947)</u>	<u>409</u>	<u>252</u>	<u>0</u>	<u>(43,564)</u>
(1,513,582)	(6,638)	0	0	(8,091,473)
0	0	0	0	422,146
<u>(1,513,582)</u>	<u>(6,638)</u>	<u>0</u>	<u>0</u>	<u>(7,669,327)</u>
(2,500,000)	0	0	(11,999,326)	(22,251,626)
2,000,000	4,993,750	0	10,736,066	22,361,050
206,542	332,372	1,169	895,578	2,667,363
(21,584)	(89,085)	0	(188,505)	(638,840)
<u>(315,042)</u>	<u>5,237,037</u>	<u>1,169</u>	<u>(556,187)</u>	<u>2,137,947</u>
(1,624,904)	6,115,420	(273,032)	146,331	1,219,113
4,803,651	2,609,028	806,753	13,553,337	31,448,681
<u>\$ 3,178,747</u>	<u>\$ 8,724,448</u>	<u>\$ 533,721</u>	<u>\$ 13,699,668</u>	<u>\$ 32,667,794</u>
(1,963,966)	484,984	(775,602)	(666,139)	(3,495,601)
2,281,115	55,299	6,736	3,305	7,433,439
469	255,863	0	0	256,329
492	(109,955)	505	165,632	50,869
26,131	0	(80,878)	0	(224,819)
(88,089)	0	0	33,122	67,012
15,040	(236,906)	581,755	8,723	1,112,298
26,227	20,068	(2,037)	11,514	64,512
(509)	7,524	(4,932)	(18,986)	(39,421)
(2,243)	0	0	0	(3,643)
0	66,139	0	(185,653)	(119,514)
0	341,596	0	0	341,596
0	0	0	1,351,000	1,351,000
<u>\$ 294,667</u>	<u>\$ 884,612</u>	<u>\$ (274,453)</u>	<u>\$ 702,518</u>	<u>\$ 6,794,057</u>
\$ 3,184	\$ 0	\$ 0	\$ 0	\$ 1,292,534
0	0	0	1,351,000	1,351,000
(42,020)	0	0	(188,585)	(591,755)

AGENCY FUNDS

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	BALANCE 9-30-04	ADDITIONS	DEDUCTIONS	BALANCE 9-30-05
ASSETS				
Cash and Cash Equivalents	\$ 539,937	\$ 58,408,627	\$ 58,463,868	\$ 484,696
Accounts Receivable				
Salary Advances	0	10,118	10,118	0
Other	500	200,007	200,007	500
	<u>540,437</u>	<u>58,618,752</u>	<u>58,673,993</u>	<u>485,196</u>
TOTAL ASSETS	\$ 540,437	\$ 58,618,752	\$ 58,673,993	\$ 485,196
LIABILITIES				
Accounts Payable	\$ 69,048	\$ 9,585,844	\$ 9,649,698	\$ 5,194
Due to Other Governmental Agencies				
State of Florida	0	1,470,910	1,470,910	0
Pinellas County	449,595	458,208	449,595	458,208
Social Security Administration	0	25,878,190	25,878,190	0
Internal Revenue Service	0	21,225,600	21,225,600	0
Uncashed Checks	21,794	0	0	21,794
	<u>540,437</u>	<u>58,618,752</u>	<u>58,673,993</u>	<u>485,196</u>
TOTAL LIABILITIES	\$ 540,437	\$ 58,618,752	\$ 58,673,993	\$ 485,196

**CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS**

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE (1)
SEPTEMBER 30, 2005 AND 2004

	2005	2004
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 136,680,785	\$ 132,408,501
Buildings	310,913,361	308,842,360
Improvements and Infrastructure	281,833,685	269,163,685
Machinery and Equipment	67,552,213	66,943,512
Projects in Progress	68,597,874	49,467,263
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	865,577,918	\$ 826,825,321
INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:		
General Fund Revenues	\$ 181,246,733	\$ 175,057,778
Special Revenue Fund Revenues	260,773,397	228,902,590
General Obligation Bonds	83,894,846	83,894,846
Special Assessment Revenues	4,859,923	4,859,923
Enterprise Fund Revenues	31,098,169	31,094,481
Internal Service Fund Revenues	2,419,075	2,441,760
Gifts	1,610,674	1,459,451
Forfeitures	410,329	410,329
Federal Grants	18,135,231	17,901,310
State Grants	6,716,202	6,716,202
County Grants	11,430,123	11,330,123
Other	213,367,927	213,141,239
Undetermined sources before September 30, 1961	49,615,289	49,615,288
TOTAL INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE	\$ 865,577,918	\$ 826,825,320

- (1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Internal Service Funds are excluded from the above amounts. Generally, the capital assets of Internal Service Funds are included as governmental activities in the statement of net assets.

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

CAPITAL ASSETS USED IN THE OPERATIN OF GOVERNMENTAL FUNDS
SCHEDULES BY FUNCTION AND ACTIVITY (1)
September 30, 2005

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS AND INFRASTRUCTURE	MACHINERY AND EQUIPMENT
General Government					
City Council	\$ 195,283	\$ 0	\$ 30,644	\$ 8,015	\$ 156,624
Mayor's Office	87,619	0	0	5,723	81,896
Legal	642,087	0	0	4,291	637,796
Intergovernmental Services	671,598	0	494	166,608	504,496
Internal Audit	44,954	0	0	0	44,954
Marketing	1,070,291	109,376	0	1,557	959,358
Non Departmental	48,643,690	30,723,138	13,752,520	3,144,784	1,023,248
Total	51,355,522	30,832,514	13,783,658	3,330,978	3,408,372
City Development					
Administration	32,221,990	12,743,277	10,413,364	8,881,626	183,723
Development Services	1,091,811	0	0	244,772	847,039
Downtown Enterprise Facilities	248,595,093	16,930,965	200,511,593	12,110,189	19,042,346
Economic Development and Property Management	12,659,060	4,678,064	7,016,798	729,441	234,757
Total	294,567,954	34,352,306	217,941,755	21,966,028	20,307,865
City Services					
Administration	1,253,160	126,443	724,840	112,438	289,439
Capital Improvements	673,075	19,488	30,618	383,727	239,242
Parks	90,865,772	41,005,035	13,054,328	32,634,814	4,171,595
Recreation	37,824,815	5,285,745	21,835,999	8,173,118	2,529,953
Total	130,616,822	46,436,711	35,645,785	41,304,097	7,230,229
Internal Services					
Administration	23,615	0	1,457	717	21,441
Budget and Management	66,646	0	0	1,776	64,870
Finance	295,371	0	0	0	295,371
Human Resources	204,229	0	0	5,741	198,488
Purchasing and Material Management	59,996	0	0	0	59,996
Total	649,857	0	1,457	8,234	640,166
Midtown Economic Development					
Administration	1,608,250	588,265	0	916,163	103,822
Special Projects	414,675	398,612	0	0	16,063
Total	2,022,925	986,877	0	916,163	119,885
Neighborhood Services					
Administration	1,814,074	1,523,157	19,967	97,530	173,420
Codes Compliance and Assistance	159,783	0	0	687	159,096
Housing and Community Development	13,143,182	10,740,237	57,675	2,068,341	276,929
Libraries	22,604,570	466,478	10,034,841	1,275,301	10,827,950
Total	37,721,609	12,729,872	10,112,483	3,441,859	11,437,395
Public Safety					
Fire and Emergency Medical Service	24,295,352	1,564,435	12,003,733	121,399	10,605,785
Police	19,207,551	771,933	7,212,273	383,960	10,839,385
Total	43,502,903	2,336,368	19,216,006	505,359	21,445,170
Public Works					
Parking	14,831,950	50,023	12,185,621	1,419,347	1,176,959
Engineering	221,710,502	8,956,114	2,026,596	208,941,620	1,786,172
Total	236,542,452	9,006,137	14,212,217	210,360,967	2,963,131
Total	796,980,044	\$ 136,680,785	\$ 310,913,361	\$ 281,833,685	\$ 67,552,213
Projects in Progress	68,597,874				
Total Governmental Funds Capital Assets	\$ 865,577,918				

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Internal Service Funds are excluded from the above amounts. Generally, the capital assets of Internal Service Funds are included as governmental activities in the statement of net assets.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (1)
FISCAL YEAR ENDED SEPTEMBER 30, 2005

FUNCTION AND ACTIVITY	BALANCE 10/1/2004	ADDITIONS	DELETIONS	BALANCE 9/30/2005
General Government				
City Council	\$ 190,830	\$ 8,312	\$ 3,859	\$ 195,283
Mayor's Office	85,995	1,624	0	87,619
Legal	627,740	16,659	2,312	642,087
Intergovernmental Services	673,904	5,449	7,755	671,598
Internal Audit	43,486	6,510	5,042	44,954
Marketing	1,029,517	41,017	243	1,070,291
Non Departmental	<u>45,453,754</u>	<u>3,336,525</u>	<u>146,589</u>	<u>48,643,690</u>
Total	<u>48,105,226</u>	<u>3,416,096</u>	<u>165,800</u>	<u>51,355,522</u>
City Development				
Administration	31,971,990	250,000	0	32,221,990
Development Services	1,079,054	20,556	7,799	1,091,811
Downtown Enterprise Facilities	247,410,189	1,195,539	10,635	248,595,093
Economic Development and Property Mgmt.	11,790,973	1,086,183	218,096	12,659,060
Total	<u>292,252,206</u>	<u>2,552,278</u>	<u>236,530</u>	<u>294,567,954</u>
City Services				
Administration	1,254,350	0	1,190	1,253,160
Capital Improvements	660,272	12,803	0	673,075
Parks	88,438,411	2,461,711	34,350	90,865,772
Recreation	<u>36,234,660</u>	<u>1,622,805</u>	<u>32,650</u>	<u>37,824,815</u>
Total	<u>126,587,693</u>	<u>4,097,319</u>	<u>68,190</u>	<u>130,616,822</u>
Internal Services				
Administration	23,838	0	223	23,615
Budget and Management	62,896	3,931	181	66,646
Finance	292,873	3,795	1,297	295,371
Human Resources	206,542	0	2,313	204,229
Purchasing and Materials Management	53,650	11,345	4,999	59,996
Total	<u>639,799</u>	<u>19,071</u>	<u>9,013</u>	<u>649,857</u>
Midtown Economic Development				
Administration	1,598,926	9,324	0	1,608,250
Special Projects	<u>414,675</u>	<u>0</u>	<u>0</u>	<u>414,675</u>
Total	<u>2,013,601</u>	<u>9,324</u>	<u>0</u>	<u>2,022,925</u>
Neighborhood Services				
Administration	1,810,508	3,764	198	1,814,074
Codes Compliance and Assistance	93,560	67,223	1,000	159,783
Housing and Community Development	13,140,230	2,952	0	13,143,182
Libraries	<u>22,429,428</u>	<u>1,026,654</u>	<u>851,512</u>	<u>22,604,570</u>
Total	<u>37,473,726</u>	<u>1,100,593</u>	<u>852,710</u>	<u>37,721,609</u>
Public Safety				
Fire and Emergency Medical Service	23,623,821	683,931	12,400	24,295,352
Police	<u>19,774,336</u>	<u>422,321</u>	<u>989,106</u>	<u>19,207,551</u>
Total	<u>43,398,157</u>	<u>1,106,252</u>	<u>1,001,506</u>	<u>43,502,903</u>
Public Works				
Transportation and Parking	14,539,372	296,029	3,451	14,831,950
Engineering	<u>212,348,277</u>	<u>9,367,705</u>	<u>5,480</u>	<u>221,710,502</u>
Total	<u>226,887,649</u>	<u>9,663,734</u>	<u>8,931</u>	<u>236,542,452</u>
Total	777,358,057	21,964,667	2,342,680	796,980,044
Projects in Progress	<u>49,467,263</u>	<u>39,847,672</u>	<u>20,717,061</u>	<u>68,597,874</u>
Total Governmental Funds Capital Assets	<u>\$ 826,825,320</u>	<u>\$ 61,812,339</u>	<u>\$ 23,059,741</u>	<u>\$ 865,577,918</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in Internal Service Funds are excluded from the above amounts. Generally, the capital assets of Internal Service Funds are included as governmental activities in the statement of net assets

Schedules and tables presented in the Statistical Section differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. The Statistical Section reflects social and economic data, financial trends and the fiscal capacity of the government.

III. STATISTICAL SECTION

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

Government - Wide Expenses by Function

	Fiscal Year Ended September 30, 2005				
	2005	2004	2003	2002	2001
Primary Government					
General Government	\$35,376,425	\$37,975,633	\$30,824,353	\$27,640,529	\$29,204,111
Community and Economic Development	23,752,939	34,300,303	28,537,792	22,463,936	17,664,108
Public Safety					
Police	79,183,547	72,308,128	68,549,362	63,787,775	67,243,341
Fire and EMS	41,361,870	36,886,922	34,953,813	33,319,286	24,686,007
Public Works	15,319,318	17,650,801	16,877,927	14,280,771	14,838,140
Recreation and Culture	55,947,069	53,793,570	54,722,266	51,491,583	48,470,128
Interest on Long-Term Debt	9,934,606	10,051,528	11,329,106	11,344,694	13,811,070
Business- type Activities					
Water and Waste Water Utility	83,236,468	78,800,617	77,847,987	72,543,795	68,681,818
Stormwater Utility	9,362,330	9,218,169	8,771,900	8,280,500	8,684,434
Sanitation	36,395,779	35,391,213	35,206,210	33,015,564	32,465,819
Airport	1,053,778	1,064,015	883,837	666,785	843,237
Port	1,193,374	945,637	845,568	697,588	817,580
Marina	1,629,348	1,433,004	1,190,529	1,309,753	1,358,875
Golf Course	3,708,876	3,468,913	3,527,100	3,630,486	3,388,411
Jamestown Complex	496,480	471,448	500,761	454,706	495,801
Total Primary Government	<u>\$397,952,207</u>	<u>\$393,759,901</u>	<u>\$374,568,511</u>	<u>\$344,927,751</u>	<u>\$332,652,880</u>

Government - Wide Revenues

Program Revenues					
Charges for services	\$189,890,334	\$190,165,755	\$174,852,526	\$162,741,155	\$152,569,872
Operating grants and contributions	15,558,777	13,899,787	7,368,919	14,253,803	14,520,803
Capital grants and contributions	4,403,359	4,817,335	10,621,534	6,278,148	4,129,879
General Revenues					
Taxes					
Property taxes, levied for general purposes	81,667,102	74,134,498	68,788,334	64,773,734	59,793,101
Utility taxes	34,812,250	33,857,531	34,615,522	35,372,881	28,366,886
Sales tax - County	24,256,313	21,907,338	20,731,599	20,219,580	19,981,456
Sales tax	16,585,300	15,801,903	15,606,672	15,201,957	14,513,960
Franchise tax	16,411,585	14,774,824	14,279,145	13,839,256	17,424,894
Revenue Sharing	9,126,466	7,622,851	6,450,029	6,443,894	6,352,852
Payment in lieu of tax	0	0	0	0	35,131
Tourist development tax	4,511,048	4,299,076	4,014,185	3,882,692	4,343,316
Occupational tax	2,949,360	2,819,278	2,765,429	2,889,085	3,133,724
Gasoline tax	2,582,145	2,529,289	2,241,354	2,199,440	2,183,661
Tax increment	2,938,052	3,041,209	2,749,353	2,083,677	1,084,136
Miscellaneous taxes	340,379	278,622	222,800	209,588	224,124
Earnings on unrestricted investments	11,469,260	9,952,933	10,598,151	17,621,972	35,229,098
Gain (Loss) on sale of capital assets	3,618,568	1,732,548	753,569	5,282,386	668,172
Miscellaneous income	4,806,249	3,704,335	1,951,055	3,249,942	1,285,517
Total Government-Wide Revenues	<u>\$425,926,547</u>	<u>\$405,339,112</u>	<u>\$378,610,176</u>	<u>\$376,543,190</u>	<u>\$365,840,582</u>

**GENERAL PURPOSE REVENUE AND OTHER FINANCING SOURCES (1)
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Total Revenue	Taxes	Licenses And Permits	Fines And Forfeitures	User's Fees Services And Sales	Charges to Other Funds	Inter-Governmental Revenues	Use of Money and Property	Miscellaneous Revenue	Payment In Lieu of Taxes	Transfers from Other Funds
1995-96	179,811	92,208	1,787	1,888	13,948	5,111	44,684	5,282	3,787	10,235	881
1996-97	182,786	92,632	2,133	2,365	14,448	4,986	47,570	5,816	1,792	10,475	569
1997-98	192,242	96,544	2,153	2,165	15,660	4,625	51,363	7,900	933	9,889	1,010
1998-99	202,975	99,526	2,262	2,732	20,217	4,318	52,935	6,704	3,404	9,487	1,390
1999-00	212,623	106,276	2,948	2,882	20,974	4,570	55,047	7,601	1,421	9,629	1,277
2000-01	228,039	108,719	3,403	3,745	22,298	5,392	61,047	9,431	2,188	9,761	2,055
2001-02	254,669	116,875	3,968	3,346	24,662	6,784	67,455	8,108	12,177	10,086	1,208
2002-03	228,125	120,448	4,049	3,220	25,388	6,164	65,654	5,905	5,992	10,817	3,338
2003-04	264,854	125,586	4,706	3,493	29,692	6,501	68,537	6,345	7,189	10,821	1,984
2004-05	280,803	135,840	5,296	3,232	27,039	6,606	72,142	8,028	10,953	11,326	341

Note: (1) Includes General Fund, Special Revenue Funds, and Debt Service Funds except for transfers to Debt Service Funds due to issue of additional debt.

(2) Special revenue funds were redefined under GASB 34 and include expendable trust funds in fiscal year 2000-01. Prior years amounts have not been restated.

**GENERAL GOVERNMENT EXPENDITURES AND OTHER USES BY FUNCTION (1)
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Total	Operational					Debt Service			
		General Government	Community & Economic Development	Recreation & Culture	Public Safety	Public Works	Non-Departmental	Principal	Interest & Fees	Transfer to Other Funds
1995-96	164,112	7,947	8,553	20,726	75,051	7,307	1,731	9,110	12,112	21,575
1996-97	188,610	8,998	9,464	22,256	77,000	7,379	1,961	12,875	13,710	31,191
1997-98	193,418	9,062	12,335	25,992	78,669	11,229	0	12,900	13,125	25,831
1998-99	201,398	10,148	12,877	35,397	79,554	8,562	0	12,810	12,816	25,313
1999-00	215,596	10,484	13,473	38,348	85,578	9,165	0	14,795	12,888	25,932
2000-01	224,070	9,366	19,145	37,730	86,194	9,557	0	17,145	11,924	25,033
2001-02	218,700	14,763	24,483	41,473	94,162	9,018	0	15,070	9,318	23,967
2002-03	248,920	15,973	26,556	44,076	106,776	10,547	0	16,335	9,101	25,556
2003-04	264,357	23,870	23,050	44,118	108,293	11,929	563	16,255	9,786	26,493
2004-05	266,171	23,994	23,693	45,128	115,217	8,744	1,332	18,500	8,154	21,409

Note: (1) Includes General Fund, Special Revenue Funds, and Debt Service Funds except for Bond Issue Expenses, Cost of Bond Conversion Expenses, Advance Debt Payment, payment to Escrow Agent for Refunded Bond Issues, and transfers of note proceeds.

(2) Special revenue funds were redefined under GASB 34 and include expendable trust funds in fiscal year 2000-01. Prior years amounts have not been restated.

**GENERAL PURPOSE TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Total Taxes	Property Taxes		Utility Taxes				Franchise Tax				Occupational Tax
		Operations	Debt Service	Electric	Telecom-munications	Water	Other ⁽¹⁾	Electric	Telephone	Natural Gas	Cable	
1995-96	92,208	50,733	2,993	15,251	5,234	1,974	996	9,510	487	771	1,486	2,772
1996-97	92,632	49,615	2,847	14,900	5,789	1,930	813	11,164	527	633	1,578	2,836
1997-98	96,544	50,423	2,916	16,190	6,518	1,924	855	11,954	528	662	1,745	2,829
1998-99	99,526	53,099	1,549	16,594	7,270	2,018	763	12,176	530	566	1,991	2,970
1999-00	106,276	59,019	1,323	16,515	7,978	2,128	744	12,410	573	580	1,915	3,091
2000-01	108,719	58,716	1,077	16,996	8,454	2,148	769	13,694	525	766	2,440	3,134
2001-02	116,875	64,773	0	16,690	15,779	2,369	535	13,337	0	478	25	2,889
2002-03	120,448	68,788	0	16,812	14,782	2,594	428	13,653	0	626	0	2,765
2003-04	125,586	74,135	0	16,108	14,077	3,023	650	14,156	0	619	0	2,818
2004-05	135,840	81,667	0	16,989	15,980	1,220	623	15,816	0	654	0	2,966

Note (1) Other includes Natural Gas, Bottles Gas, and Fuel Oil, all used mostly for heating.

(2) The Communication Services Tax, which eliminated the Franchise Tax of telephone and cable providers, is included under Utility Tax.

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**GENERAL PURPOSE INTERGOVERNMENTAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Total Inter-Governmental Revenue	Federal		State					County and Other			
		Public Safety	Misc.	Aid to Cities	Sales Tax	Cigarette Taxes	Housing Improvements	Other	Local Option Sales Tax	Local Option Gas Tax	Tourist Development Tax	Other ⁽¹⁾
1995-96	44,934	932	208	6,047	12,292	667	1,358	611	15,637	2,124	4,112	946
1996-97	47,570	2,129	176	5,890	12,933	663	1,422	453	16,466	2,180	4,611	647
1997-98	51,363	2,858	146	6,056	13,609	702	1,460	755	18,096	2,076	4,611	994
1998-99	52,889	2,401	268	5,809	13,922	640	2,437	503	19,022	2,208	4,611	1,068
1999-00	55,047	2,471	626	6,111	14,579	524	2,030	471	19,991	2,170	4,564	1,510
2000-01	61,047	2,092	5,786	6,353	14,514	38	2,168	1,422	19,981	2,184	4,343	2,166
2001-02	67,455	2,120	9,809	3,318	15,202	104	2,693	4,657	20,220	2,199	3,883	3,250
2002-03	65,654	1,930	9,483	3,126	15,607	109	1,991	3,672	20,732	2,241	4,014	2,749
2003-04	68,537	860	9,436	3,126	15,874	102	2,978	4,428	21,907	2,352	4,299	3,175
2004-05	72,025	589	9,963	3,126	14,585	0	2,516	6,504	24,256	2,391	4,511	3,584

Note (1) Other includes share of County Occupational Licenses, County Tax Increment and Juvenile Welfare Board.

**SPECIAL ASSESSMENTS BY FISCAL YEARS
LEVIES, COLLECTIONS, AND RECEIVABLES
THROUGH SEPTEMBER 30, 2005**

Fiscal Year	Adjusted Levies	Collections During First Year	Percent Collected	Collections During Subsequent Years	Percent Collected	Total Collections	Percent Collected	Unpaid Balances	Percent Unpaid
Prior to 10-1-96	\$ 40,279,002	\$ 18,096,529	45 %	21,240,641	53 %	\$ 39,337,170	98 %	\$ 941,832	2 %
1996-97	759,335	205,272	27	353,879	47	559,151	74	200,184	26
1997-98	956,821	484,160	51	347,954	36	832,114	87	124,707	13
1998-99	835,288	245,392	29	317,837	38	563,229	67	272,059	33
1999-00	835,301	220,993	26	301,293	36	522,286	63	313,015	37
2000-01	678,212	7,925	1	455,900	67	463,825	68	214,387	32
2001-02	551,925	169,817	31	181,577	33	351,394	64	200,531	36
2002-03	420,285	133,631	32	116,012	28	249,643	59	170,642	41
2003-04	455,924	0	0	262,408	58	262,408	58	193,516	42
2004-05	411,544	950	0	164,716	40	165,666	40	245,878	60
TOTALS	\$ 46,183,637	\$ 19,564,669	42 %	\$ 23,742,217	51 %	\$ 43,306,886	94 %	\$ 2,876,751	6 %

**SPECIAL ASSESSMENTS BY CATEGORY
LEVIES, COLLECTIONS, AND RECEIVABLES
THROUGH SEPTEMBER 30, 2005**

Category	Original Assessment	Adjustments	Adjusted Levies	Collections		Total	Percent Collected	Unpaid Balances	Percent Unpaid
				Prior Years	Current Year				
Special Revenue Fund									
Demolition	\$ 2,540,606	\$ 1,078,992	\$ 1,461,614	\$ 1,039,937	\$ 65,070	\$ 1,105,007	76 %	\$ 356,607	24 %
Dredging	102,528	3,478	99,050	99,050	0	99,050	100	0	0
Sanitary Sewer	11,616,299	163,566	11,452,733	11,434,634	1,579	11,436,213	100	16,520	0
Area Improvement	17,421,571	480,594	16,940,977	16,622,807	82,043	16,704,850	99	236,127	1
Street Paving	3,882,075	61,140	3,820,935	3,792,816	4,384	3,797,200	99	23,735	1
Sidewalk	1,278,922	22,472	1,256,450	1,238,814	4,522	1,243,336	99	13,114	1
Drainage	50,050	0	50,050	50,050	0	50,050	100	0	0
Other	84,145	3,759	80,386	80,386	0	80,386	100	0	0
Subtotal	36,976,196	1,814,001	35,162,195	34,358,494	157,598	34,516,092	98	646,103	2
Enterprise Fund									
Lot Clearing (1)	6,739,575	1,551,317	5,188,257	3,738,709	306,815	4,045,524	78	1,142,733	22
Demolition (1)	2,045,202	370,967	1,674,235	484,615	215,279	699,894	42	974,341	58
Securing (1)	360,176	32,187	327,989	217,321	37,071	254,392	78	73,597	22
Reclaimed Water (2)	3,866,255	35,294	3,830,961	3,740,915	50,069	3,790,984	99	39,977	1
Subtotal	13,011,208	1,989,765	11,021,442	8,181,560	609,234	8,790,794	80	2,230,648	20
	\$ 49,987,404	\$ 3,803,766	\$ 46,183,637	\$ 42,540,054	\$ 766,832	\$ 43,306,886	94 %	\$ 2,876,751	6 %

NOTE: (1) Sanitation Fund
(2) Public Utilities Fund

**ASSESSED VALUE, EXEMPTIONS AND TAXABLE VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS)**

Fiscal Year	Tax Year	Total Assessed Value	Homestead Exempt	Government Exempt	Institutional Exempt	Disability Exempt	Other Exempt	Reduction Due to Cap	Taxable Assessed Value	% Increase (Decrease) From Prev. Year	Taxable Assessed Value by Type		
											Real Property	Personal Property	Centrally Assessed Property
1995-96	1995	\$ 9,597,162	\$ 1,515,958	\$ 654,442	\$ 591,711	\$ 36,438	\$ 6,471	\$ 56,359	\$ 6,735,782	1.98	\$ 5,746,255	\$ 987,887	\$ 1,640
1996-97	1996	9,871,474	1,527,511	717,172	630,652	37,211	6,509	85,987	6,866,431	1.94	5,857,369	1,007,634	1,554
1997-98	1997	10,200,106	1,533,430	730,080	669,809	37,696	6,603	164,523	7,057,886	2.79	6,031,896	1,023,668	2,332
1998-99	1998	10,739,353	1,535,576	770,838	724,806	40,817	6,381	283,126	7,397,343	4.81	6,303,822	1,091,511	2,010
1999-00	1999	11,347,620	1,550,425	768,420	711,286	41,657	6,637	376,511	7,892,685	6.70	6,682,593	1,207,968	2,124
2000-01	2000	12,260,853	1,560,365	800,076	753,793	44,882	6,622	645,292	8,449,823	7.06	7,189,948	1,258,086	1,789
2001-02	2001	13,554,944	1,579,247	715,587	807,211	46,351	8,060	1,001,216	9,387,272	11.09	8,046,303	1,339,380	1,589
2002-03	2002	14,964,273	1,597,073	742,131	834,801	49,718	7,797	1,772,648	9,960,105	6.10	8,794,865	1,163,601	1,638
2003-04	2003	16,693,901	1,595,706	935,320	879,661	56,892	17,882	2,426,385	10,782,055	8.25	9,647,713	1,131,689	2,593
2004-05	2004	18,657,874	1,601,158	1,048,828	952,128	64,177	18,869	3,073,079	11,899,635	10.37	10,788,409	1,108,261	2,965

Source: Pinellas County Property Appraiser. Assessed at estimated actual value as of January 1 of the calendar year preceding the start of the applicable fiscal year that begins October 1.

**TAXABLE ASSESSED VALUE, TAX RATES AND REVENUES IN DOWNTOWN TAX INCREMENT DISTRICT
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Year	Increase (Decrease) in Thousands Over Prior Years				Cumulative Valuation Increment	Applicable Tax Rates (in Mills)			Revenues (in Dollars)		
		Taxable Assessed Valuation (1)	New Construction	Other	Total		City	County	Total	City (2)	County (2)	Total
1995-96	1995	\$ 223,161	\$ 0	\$ -6,916	\$ -6,916	\$ 115,283	\$ 7.7500	\$ 5.5140	13.2640	\$ 848,772	\$ 603,888	\$ 1,452,660
1996-97	1996	225,841	0	2,680	2,680	117,963	7.4620	5.5100	12.9720	836,226	617,476	1,453,702
1997-98	1997	231,088	3,793	1,454	5,247	123,210	7.3500	5.5380	12.8880	860,311	648,219	1,508,530
1998-99	1998	242,798	6,804	4,906	11,710	134,920	7.3500	5.5380	12.8880	942,077	709,826	1,651,903
1999-00	1999	287,452	30,883	13,771	44,654	179,574	7.2500	5.8540	13.1040	1,236,814	998,664	2,235,478
2000-01	2000	296,664	356	8,856	9,212	188,786	7.1500	6.0040	13.1540	1,282,331	1,076,799	2,359,130
2001-02	2001	462,108	24,971	140,473 (3)	165,444	345,230	7.1400	6.1410	13.2810	2,402,740	2,066,559	4,469,299
2002-03	2002	513,717	27,054	24,555	51,609	405,839	7.1400	6.1410	13.2810	2,573,169	2,213,142	4,786,311
2003-04	2003	523,133	107,535	(98,119) (4)	9,416	415,255	7.0900	6.1410	13.2810	2,796,951	2,422,578	5,219,529
2004-05	2004	602,867	10,962	68,772	79,734	494,989	7.0900	6.1410	13.2310	3,333,998	2,887,741	6,221,739

Note: (1) Base Year, Valuation frozen on January 1, 1981, at \$107,878,000.
(2) Payment made based on 95% of tax increment.
(3) Includes first assessment for Tropicana Field \$128,884,600 and Florida Power Park \$12,217,000.
(4) Elimination of assessment for Tropicana Field of \$128,884,600.

**PROPERTY TAX RATES OF ALL TAXING AUTHORITIES
LAST TEN FISCAL YEARS
(In Mills, Per \$1,000 Assessed Valuation)**

Fiscal Year	Total Tax Rate	City Of St.Petersburg				Pinellas County				Suncoast (2) Transit Authority
		Total	Operating	Debt	Voted (1)	County Board	School Board	EMS (2)	Others	
1995-96	26.1279	8.2071	7.7500	0.4571	0.0000	5.5140	9.3290	0.7520	1.6561	0.6697
1996-97	25.6430	7.8902	7.4620	0.4282	0.0000	5.5100	9.1760	0.7410	1.6561	0.6697
1997-98	25.4849	7.7751	7.3500	0.4251	0.0000	5.5380	9.1330	0.7130	1.6561	0.6697
1998-99	25.2282	7.5610	7.3500	0.2110	0.0000	5.5380	9.1100	0.7130	1.6561	0.6501
1999-00	25.3967	7.9235	7.2500	0.1735	0.5000	5.8540	8.6660	0.6470	1.6561	0.6501
2000-01	24.7806	7.2903	7.1500	0.1403	0.0000	6.0040	8.4330	0.7470	1.6562	0.6501
2001-02	24.7343	7.1400	7.1400	0.0000	0.0000	6.1410	8.4870	0.6600	1.6562	0.6501
2002-03	24.6781	7.1400	7.1400	0.0000	0.0000	6.1410	8.4490	0.6600	1.6562	0.6319
2003-04	24.4221	7.0900	7.0900	0.0000	0.0000	6.1410	8.2430	0.6600	1.6562	0.6319
2004-05	24.3064	7.0900	7.0900	0.0000	0.0000	6.1410	8.1220	0.6600	1.6557	0.6377

Note: (1) Approved by voters for Sunken Gardens (1999-00).
(2) Emergency Medical Services and Suncoast Transit Authority Assessed on Real Estate Only.

Source: Pinellas County Tax Collector

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

TEN MAJOR REAL PROPERTY TAXPAYERS - 2005

Taxpayer	Type of Business	Taxable Assessed Valuation	Percent of Total Assessed Valuation
De Bartolo Capital Partnership	Retail	\$ 103,500,000	0.96%
Raymond James & Associates	Investment Brokers	72,817,200	0.67%
Franklin/Templeton	Investments	65,006,300	0.60%
Teachers Insurance & Annuity	Investment Property	50,400,000	0.47%
CRT Properties	Developers - Property	43,963,300	0.42%
One Progress Plaza II	Real Estate	39,199,300	0.36%
Vinoy Park Hotel Co.	Hotel	39,000,000	0.36%
Allstate Insurance Co.	Insurance	28,700,000	0.27%
Gateway Centre LTD	Real Estate	28,270,000	0.26%
Time Publishing Co	Newspaper	28,189,200	0.26%
TOTAL		<u>\$ 499,045,300</u>	<u>4.63%</u>

Note: Total Taxable Assessed Real Property Valuation for 2005 is \$10,788,409,400.

TEN MAJOR REAL AND TANGIBLE PROPERTY VALUATIONS - 2005

Taxpayer	REAL PROPERTY	TANGIBLE PROPERTY	TOTAL	PERCENT	
Florida Power Corporation	(1)	\$ 133,755,400	\$ 133,755,400	1.12%	
Verizon Florida Inc.	(1)	106,741,690	106,741,690	0.90%	
De Bartolo Capital Partnership	\$ 103,500,000	(1)	103,500,000	0.87%	
Raymond James & Associates	72,817,200	27,611,180	100,428,380	0.86%	
Franklin/Templeton	65,005,300	13,488,580	78,193,880	0.66%	
Jabil Circuit Company	21,854,300	38,137,410	59,991,710	0.50%	
Times Publishing Company	28,189,200	28,290,220	56,479,420	0.47%	
Teachers Insurance Annuity	50,400,000	(1)	50,400,000	0.42%	
CRT Properties	43,963,300	(1)	43,963,300	0.37%	
One Progress Plaza II	39,199,300	(1)	39,199,300	0.33%	
TOTAL		<u>\$ 424,928,600</u>	<u>\$ 348,024,480</u>	<u>\$ 772,653,080</u>	<u>6.50%</u>

Source: Pinellas County Property Appraiser

NOTE: (1) Not in the top twenty taxpayers.

Total Taxable Assessed Real Property and Personal Property Valuation for 2005 is \$11,899,634,897.

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

**CITY'S PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Levy		Collections First Year	
		Amount	Amount (1)	Percent of Levy
1995-96	\$	55,341,552	\$ 55,223,817	99.79
1996-97		54,202,135	54,036,210	99.69
1997-98		55,174,635	55,050,968	99.78
1998-99		55,892,579	55,583,944	99.45
1999-00		62,432,802	61,913,693	99.17
2000-01		61,676,833	61,607,049	99.89
2001-02		67,100,491	66,924,525	99.74
2002-03		70,935,636	70,751,501	99.74
2003-04		76,471,927	76,388,599	99.89
2004-05		84,336,077	84,271,997	99.92

Note: (1) Collections are reported at the gross amount before any discount is taken.

**NET BONDED DEBT PER CAPITA AND RATIO OF
NET GENERAL BONDED DEBT TO TAXABLE ASSESSED VALUE
FOR THE LAST TEN YEARS**

Year	(1) Permanent Population	(2) Taxable Assessed Value	General Bonded Debt	Net Bonded Debt	Net Bonded Debt Per Capita	Net Bonded Debt Per Taxable Assessed Value
1996	240,993	\$ 6,735,782,000	\$ 10,100,000	\$ 9,000,000	37.35	0.1300
1997	241,594	6,866,431,000	7,700,000	6,600,000	27.32	0.1000
1998	241,810	7,057,886,000	5,200,000	4,000,000	16.54	0.0007
1999	243,825	7,397,343,000	4,000,000	2,700,000	11.07	0.0003
2000	244,000	7,892,685,000	2,700,000	970,000	3.98	0.0001
2001	248,242	8,449,823,000	1,400,000	0	0.00	0.0000
2002	249,068	9,387,272,000	0	0	0.00	0.0000
2003	251,812	9,960,105,303	0	0	0.00	0.0000
2004	253,010	10,782,054,510	0	0	0.00	0.0000
2005	253,902	11,899,634,887	0	0	0.00	0.0000

SOURCES: (1) Pinellas County Property Appraiser

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

**COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2005**

Taxable Value - January 1, 2005	\$	11,899,634,887
Debt Limit - Percent of Taxable Assessed Value		<u>0.125</u>
Legal Limitation for the Issuance of General Obligation Bonds		<u>1,487,454,360.875</u>

Amount of Debt Applicable to Debt Limit

Legal Debt Margin \$ 1,487,454,360.875

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL OBLIGATION AND NON-SELF SUPPORTING REVENUE DEBT
TO TOTAL GENERAL EXPENDITURES
FOR THE LAST TEN FISCAL YEARS
(In Thousands)**

Fiscal Year	Principal	Debt Service Expenditures		Total General Expenditures (1)	Percentage of Debt Service Expenditures to Total General Expenditures
		Interest (2)	Total		
1996	9,110	12,112	21,222	167,783	12.6
1997	12,875	13,710	26,585	188,610	14.1
1998	12,900 (3)	13,125	26,025	193,418	13.5
1999	12,810	12,816	25,626	201,398	12.7
2000	14,795	12,888	27,683	215,596	12.8
2001	17,145	11,980	29,125	224,070	13.0
2002	15,070	9,267	24,334	218,700	11.1
2003	16,335	9,179	25,514	248,920	10.2
2004	15,755	8,556	24,311	253,010	9.6
2005	18,535	7,940	26,475	253,902	10.4

Note: (1) Includes expenditures in General, Special Revenue, Debt Service Funds, and transfers to other funds, except for Bond Issue Expenses, Cost of Bond Conversion Expenses, and Payment to Escrow Agent for Refunded Bond Issues.

(2) Includes remarketing and other fees for variable rate issues.

(3) Excludes early repayment of \$5.8 million of FFGFC Notes from 1985.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 SEPTEMBER 30, 2005**

<u>Type of Debt</u>	<u>Net Debt Outstanding</u> ⁽¹⁾	<u>Percent</u>	<u>City Share of Debt</u>
Non-Self Supporting Revenue Debt			
City of St. Petersburg			
2001 and 1992 Public Improvement Revenue Bonds	36,756,293	100.00	36,756,293
2002 and 1990 Utility Tax Revenue Bonds	11,216,508	100.00	11,216,508
1993 Excise Revenue Bonds	65,630,000	100.00	65,630,000
2003 Professional Sports Facility Revenue Bonds	25,295,000	100.00	25,295,000
1997 Capital Improvement Variable Rate Demand Bonds	4,625,000	100.00	4,625,000
1996, 1997, 1998 and 2001 First Florida Governmental Financing Commission Notes	25,121,136	100.00	25,121,136
2005 and 1999 Sunshine State Governmental Financing Commission Notes	20,095,000	100.00	20,095,000
2000 Hud Section 108 Loan	4,000,000	100.00	4,000,000
Total - City	<u>192,738,937</u>		<u>192,738,937</u>
Pinellas County School Board	<u>39,327,874</u>	<u>26.81</u>	<u>10,543,803</u>
Total Direct and Overlapping Debt	\$ <u>232,066,811</u>		\$ <u>203,282,740</u>
Total Net Debt Per Capita - City Debt			\$ <u>800.63</u>

Note: (1) Net debt is gross debt less reserves, not including amounts for interest, held by Debt Service Funds

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

**REVENUE BOND COVERAGE
 LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Public Improvement Revenue Bonds</u>	<u>Utility Tax Revenue Bonds</u>	<u>Excise Tax Revenue Bonds</u>	<u>Professional Sports Facility Sales Tax Revenue Bonds</u>	<u>Public Utility Revenue Bonds</u>
<u>Annual Coverage</u>					
1995-96	1.45	3.60	2.98	1.57	4.47
1996-97	1.43	3.55	3.04	1.11	4.53
1997-98	0.96	3.85	3.28	1.02	5.16
1998-99	0.99	3.96	2.33	1.03	4.04
1999-00	0.74	4.09	2.30	1.02	3.06
2000-01	0.67	4.23	2.40	0.94	3.52
2001-02	1.16	24.85 (2)	2.39	1.02	2.30
2002-03	0.73	12.45	2.41	1.01	2.49
2003-04	0.82	12.10	2.55	1.11	2.70
2004-05	1.00	12.36	2.61	1.01	2.78
<u>Maximum Coverage</u>					
1995-96	1.80 (1)	3.43	2.14	1.04	4.47
1996-97	2.04 (1)	3.43	2.21	1.11	4.54
1997-98	2.03 (1)	3.73	2.30	1.02	5.18
1998-99	2.23 (1)	3.86	2.34	1.03	3.25
1999-00	2.31 (1)	3.99	2.30	1.02	3.06
2000-01	2.47 (1)	4.15	2.40	0.94	3.52
2001-02	2.73 (1)	7.60	2.39	1.20	2.34
2002-03	2.71 (1)	8.08	2.43	1.01	1.98
2003-04	2.90 (1)	7.85	2.57	1.03	2.74
2004-05	3.48 (1)	8.02	2.65	1.05	2.37

Note: (1) Includes secondary lien on electric Franchise Tax Revenues.

(2) Reduction in annual debt service due to 2002 refunding and restructuring bond issue.

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

**RETAIL UTILITY RATE HISTORY
(Single-family Residential - 3/4" meter)**

LAST TEN YEARS

Effective Date	Water	Wastewater	Sanitation	Storm Water	Reclaimed Water*
11/01/95	Base Charge 3.71 First 8,000 gal 1.66 per 1,000 gal Next 7,000 gal 2.24 per 1,000 gal Over 15,000 gal 2.82 per 1,000 gal	Base Charge 4.01 Usage 2.04 per 1,000 gal	18.20	4.50	10.36
11/01/96	Base Charge 3.94 First 5,600 gal 1.43 per 1,000 gal Next 2,400 gal 1.79 per 1,000 gal Next 7,000 gal 2.43 per 1,000 gal Over 15,000 gal 3.22 per 1,000 gal	Base Charge 5.67 Usage 2.17 per 1,000 gal	16.35	4.50	10.36
02/01/99	Base Charge 4.11 First 5,600 gal 1.49 per 1,000 gal Next 2,400 gal 1.87 per 1,000 gal Next 7,000 gal 2.53 per 1,000 gal Over 15,000 gal 3.36 per 1,000 gal	Base Charge 6.04 Usage 2.31 per 1,000 gal	16.35	4.50	10.36
12/16/99	Base Charge 4.44 First 5,600 gal 1.61 per 1,000 gal Next 2,400 gal 2.02 per 1,000 gal Next 7,000 gal 2.73 per 1,000 gal Over 15,000 gal 3.63 per 1,000 gal	Base Charge 6.37 Usage 2.44 per 1,000 gal	16.35	4.50	10.36
12/01/00	Base Charge 4.44 First 5,600 gal 1.61 per 1,000 gal Next 2,400 gal 2.02 per 1,000 gal Next 7,000 gal 2.73 per 1,000 gal Over 15,000 gal 3.63 per 1,000 gal	Base Charge 6.72 Usage 2.57 per 1,000 gal	16.35	4.50	10.36
05/01/01	Base Charge 4.66 First 5,600 gal 1.69 per 1,000 gal Next 2,400 gal 2.12 per 1,000 gal Next 7,000 gal 2.87 per 1,000 gal Over 15,000 gal 3.81 per 1,000 gal	Base Charge 6.72 Usage 2.57 per 1,000 gal	16.35	4.50	10.36
11/01/01	Base Charge 5.15 First 5,600 gal 1.87 per 1,000 gal Next 2,400 gal 2.34 per 1,000 gal Next 7,000 gal 3.17 per 1,000 gal Over 15,000 gal 4.21 per 1,000 gal	Base Charge 7.16 Usage 2.74 per 1,000 gal	16.35	5.00	10.36
11/01/02	Base Charge 5.90 First 5,600 gal 0.95 per 1,000 gal Next 2,400 gal 1.49 per 1,000 gal Next 7,000 gal 2.44 per 1,000 gal Over 15,000 gal 3.63 per 1,000 gal Tampa Bay Water 1.19 per 1,000 gal	Base Charge 7.87 Usage 3.01 per 1,000 gal	16.35	5.00	10.36
11/01/03	Base Charge 6.72 First 5,600 gal 0.82 per 1,000 gal Next 2,400 gal 1.43 per 1,000 gal Next 7,000 gal 2.52 per 1,000 gal Over 15,000 gal 3.54 per 1,000 gal Tampa Bay Water 1.62 per 1,000 gal	Base Charge 8.34 Usage 3.19 per 1,000 gal	16.35	6.00	11.36
11/01/04	Base Charge 7.06 First 5,600 gal 0.99 per 1,000 gal Next 2,400 gal 1.01 per 1,000 gal Next 7,000 gal 2.76 per 1,000 gal Over 15,000 gal 4.17 per 1,000 gal Tampa Bay Water 1.59 per 1,000 gal	Base Charge 8.67 Usage 3.32 per 1,000 gal	16.35	6.00	12.36

*Reclaimed water for irrigation purposes is available in some areas. Rate shown is for up to the first acre.

**SINGLE FAMILY RESIDENTIAL UTILITY BILLS
(Average 8,000 Gallons Water Usage Per Month)**

LAST TEN YEARS

Month of	Water	Utility Tax	Waste Water	Sanitation	Storm Water	Total
March						
1,995	\$ 15.38	\$ 1.54	\$ 19.12	\$ 18.20	\$ 4.50	\$ 58.74
1,996	16.99	1.70	20.33	18.20	4.50	61.72
1,997	16.25	1.63	23.03	16.35	4.50	61.76
1,998	16.25	1.63	23.03	16.35	4.50	61.76
1,999	16.94	1.69	24.52	16.35	4.50	64.00
2,000	18.31	1.83	25.89	16.35	4.50	66.88
2,001	19.21	1.92	27.28	16.35	4.50	69.26
2,002	21.24	2.12	29.08	16.35	5.00	73.79
2003	22.05	2.21	31.95	16.35	5.00	77.56
2004	27.70	2.77	33.86	16.35	5.00	85.68
2005	29.09	2.91	35.21	16.35	6.00	89.56

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

SELECTED TAX RATE INFORMATION

Franchise Taxes				REVENUE (in \$1,000's)		
Type of Business	Number	Length of Agreement	Rate	Fiscal Year Ending September 30		
				2005	2004	2003
Electric	1	30 years	6%	\$ 15,816	\$ 14,156	\$ 13,653
Natural Gas	1	30 years	6%	654	619	626
				<u>\$ 16,470</u>	<u>\$ 14,775</u>	<u>\$ 14,279</u>

Telecommunication and Utility Taxes				REVENUE (in \$1,000's)		
Type of Business	Number	Rate	Fiscal Year Ending September 30			
			2005	2004	2003	
Telecommunications Taxes (1)			\$ 15,980	\$ 14,342	\$ 14,551	
Utility Taxes						
Electric	1	10%	16,989	16,108	16,813	
Water	1	10%	1,220	3,023	2,594	
Natural Gas	1	10%	487	523	592	
Bottled Gas	20	10%	131	118	56	
Fuel Oil	12	4 cents/gallon	5	9	10	
			<u>\$ 34,812</u>	<u>\$ 34,123</u>	<u>\$ 34,616</u>	

Occupational License Taxes (Typical Classifications)

Type of Business	Tax Based on	Tax
General Contractor	60 Employees	\$ 785
Restaurant	20 Employees	\$ 305
Attorney	3 Attorneys, 9 Other Employees	\$ 197
Supermarket	\$1.6 million in inventory	\$ 5,995
Parking Lot	200 spaces	\$ 215
Apartments	30 Apartments	\$ 120
Lawn Service	1 Employee	\$ 77
Car Dealer	55 Employees	\$ 725
Department Store	\$3.8 million in inventory	\$ 14,245
Dentist	1 Dentist, 2 Employees	\$ 89

(1) Beginning in 2002, State Law requires that all Telecommunications and Cable companies pay a single telecommunication tax directly to the State in lieu of direct payment to the City for both Franchise and Utility Taxes. The State allocates the taxes collected by postal zip code and transfers monthly to the City. (Prior years telecommunications Franchise and Utility Taxes were reclassified as telecommunication taxes for presentation purposes).

**INSURANCE COVERAGE
SEPTEMBER 30, 2005**

Type of Policy	Type of Coverage	Limits of Coverage	Term of Policy	Premium(1)
Commercial Property Policy				
Public Utilities Property	Special Perils Blanket Policy, including flood, wind, earthquake, electronic data processing (EDP), automobile fleet at specified locations.	\$229,110,519 per occurrence with sublimits of \$50,000,000 annual aggregate for flood and for earthquake; \$15,000,000 annual aggregate for flood Zones A and V; Limited Deductibles: \$250,000 Property Damage; 5% of PD Wind, Flood per occurrence. 3% of DD wind - Minimum \$1 Million.	04/01/05 to 04/01/06	\$ 609,668 *
Layered Insurance	Special Perils policy including flood, wind, earthquake, electronic data processing (EDP), automobile fleet at specified locations.	\$272,416,570 per occurrence with sublimits of \$50,000,000 annual aggregate for flood and earthquake; Deductibles: \$100,000 per occurrence; Wind: 5% of location total insured value subject to \$100,000 minimum; Flood: 5% of location total insured value subject to \$100,000 minimum except for flood zones V and A which are subject to \$1,000,000 minimum.	04/01/05 to 04/01/06	\$ 1,300,408 *
Tropicana Field	Special perils policy, including flood, wind and earthquake.	\$208,019,195 per occurrence with sublimits of \$20,000,000 per occurrence and annual aggregate for earthquake and flood; Deductibles: \$100,000 per occurrence; Named wind storm: 5% of total insured value subject to a \$100,000 minimum.	04/01/05 to 04/01/06	\$ 635,354 \$ 60,838 **
Boiler & Machinery Policy	Equipment breakdown coverage.	Limit of \$100,000,000 property (real and personal) damage including Electronic Data Processing (EDP) in this limit. Media sublimit: \$1,000,000 and expediting expense sublimit of \$1,000,000. Deductible: \$100,000 combined, all coverages.	04/01/05 to 04/01/06	\$ 20,601
Flood Insurance Policies	National Flood Insurance Program policies for 3 wastewater treatment plants and at the Pier and Bayfront Center.	Max \$500,000 per scheduled building subject to \$5,000 deductible per scheduled building.	04/01/05 to 04/01/06	\$ 11,515
Employee Fidelity Bond	Loss caused by the failure of any employee to perform duties faithfully and employee dishonesty.	\$600,000 primary per employee; Deductible: \$25,000 per occurrence.	04/01/05 to 04/01/06	\$ 6,400 *
Fiduciary Liability	Breach of Fiduciary Duty by Trustees of scheduled benefit programs of City.	\$10,000,000 aggregate with a \$50,000 deductible.	04/01/05 to 04/01/06	\$ 49,636 *
Airport & Hangarkeeper Liability Policy	Liability coverage per occurrence for Bodily Injury and Property Damage; coverage for mobile equipment, watercraft and automobiles on airport property and while responding to an aviation emergency.	Premises - \$5,000,000 Premises and Hangarkeepers per occurrence; \$50,000 Fire Legal Liability; \$5,000,000 Non-Owned Aircraft liability.	04/01/05 to 04/01/06	\$ 7,400 *

NOTE: (1) The premium is for the term of the policy unless noted with * which indicates annual premium.

NOTE: (2) Terrorism coverage is noted with **.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

DEMOGRAPHIC INFORMATION

LAST TEN YEARS

Year	(1) Permanent Population	(1) Per Capita Income	(1) Median Age	(2) School Enrollment	(1) Unemployment Rate (%)
1996	240,993	16,660	43.5	106,545	4.3
1997	241,594	21,289	43.1	107,253	3.5
1998	241,810	25,765	41.2	107,914	3.3
1999	243,825	27,311	41.2	109,432	2.8
2000	244,000	28,367	44.4	110,936	2.7
2001	248,232	23,797	39.3	111,272	3.5
2002	249,068	22,606	39.0	110,101	5.1
2003	251,812	31,321	39.0	112,809	4.4
2004	253,010	23,472	40.3	114,466	3.9
2005	253,902	23,958	39.7	142,623	3.7

- Sources:
- (1) Pinellas County Planning Department and the University of Florida Bureau of Economic and Business Research (BEBR).
 - (2) Florida Department of Education

PROPERTY VALUE AND CONSTRUCTION PERMIT VALUE

**LAST TEN YEARS
(In Thousands of Dollars)**

Year	(1) Property Value	(2) Permit Value
1996	\$ 9,871,474	\$ 145,879
1997	10,200,106	343,851
1998	10,739,353	264,300
1999	11,347,920	277,079
2000	12,260,853	263,532
2001	13,554,944	231,254
2002	13,639,500	299,638
2003	14,964,273	258,152
2004	16,693,901	381,414
2005	18,657,874	412,923

- Sources:
- (1) Pinellas County Property Appraiser
 - (2) City of St. Petersburg, Development Services Department

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

MISCELLANEOUS STATISTICS

Date of Incorporation	As a Town - 1893; As a City 1903.
Form of Government	Council - Mayor
Area	62 Square Miles
Infrastructure	
Streets and Alleys	1,341 and 262 Miles respectively
Seawalls and Retaining Walls	12 and 20 Miles respectively
Number of Bridges and Culverts	79 and 185 respectively
Fire Protection	
Number of Stations	13
Number of Sworn Firefighting Personnel	325
Police Protection	
Number of Stations	1
Number of Sworn Police Personnel	523
Water Resources	
Retail Water & Sewer Customers	93,346 and 82,203 respectively
Average Daily Retail Water Consumption	26,799,170 Gallons
Water Mains	1,530 Miles
Sanitary Sewer Collection Mains	912 Miles
Reclaimed Water Lines	291 Miles
Storm Drainage	500 Miles
Water Reclamation Treatment Plants	4
Building Permits Issued	28,971
Total Construction Value	\$ 412,922,518
Parks and Recreation	
Parks	141, with over 2,292 Acres
Dog Parks	5
Libraries	Main and five branches
Volumes	491,272
Boat Ramps	18
Marina Slips	610
Public Beaches	6
Recreation Centers	16
Swimming Pools and Tennis Courts	9 and 79 respectively
Municipal Employees	
Management	148
Career Service (Including Temporary)	2,983
Part-Time and Temporary	609
Total Employees	<u>3,740</u>
Education (County)	
Elementary Schools	82
Middle Schools	24
Senior High Schools	17
Charter Schools	6
Exceptional Student & Vocational Schools	23
Student Population	142,623
Teachers and Administrators	8,257 Full Time 3,011 Part Time

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

MANAGEMENT SALARY SCALE

	<u>As of October 2005</u>	<u>As of October 2004</u>
Mayor	\$ 113,644	\$ 110,334
Council Member	27,316	26,520

	<u>Minimum</u>	<u>Maximum</u>	<u>Minimum</u>	<u>Maximum</u>
First Deputy Mayor	n/a	\$ 144,677	n/a	\$ 140,463
City Attorney	n/a	144,677	n/a	140,463
Deputy Mayor, Midtown Economic Development	n/a	144,677	n/a	140,463
Deputy Mayor, Neighborhood Svcs.	n/a	144,677	n/a	140,463
Chief of Police	n/a	144,677	n/a	126,598
Chief Information Officer	n/a	130,396	n/a	126,598
Fire Chief	n/a	130,396	n/a	126,598
Chief Assistant City Attorney	n/a	130,396	n/a	126,598
Policy Administrator	n/a	130,396	n/a	126,598
Finance Director	\$ 85,097	117,374	\$ 82,618	113,955
Budget Director	78,074	111,786	75,300	108,530
City Auditor	78,074	111,786	75,800	108,530

- **Independent Auditors’ Report on Internal Control Over Financial Reporting and on Compliance and other matters Based on an Audit of Financial Statements Performed in Accordance with “Government Auditing Standards”**
- **Independent Auditors’ Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in accordance with OMB Circular A-133 and Rules of the Auditor General**
- **Schedule of Expenditures of Federal, State and Other Governmental Agencies Awards**
- **Notes to the Schedule of Expenditures of Federal, State and Other Governmental Agencies Awards**
- **Schedule of Findings and Questioned Costs**
- **Management Letter**
- **Client Advisory Comments**

IV. REGULATORY SECTION



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

**Independent Auditors' Report on Internal Control
Over Financial Reporting and On Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

Honorable Mayor and City Council
City of St. Petersburg, Florida:

We have audited 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 as of and for the year ended September 30, 2005, which collectively comprise the City of St. Petersburg, Florida's basic financial statements and have issued our report thereon dated July 14, 2006. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of St. Petersburg, Florida's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the City of St. Petersburg, Florida's ability to initiate, record, process and report financial data consistent with the assertions of management in the financial statements. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2005-1 and 2005-2.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2005-1 and 2005-2 to be material weaknesses.



Compliance and Other Matters

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

We also noted certain additional matters that we reported to management of the City of St. Petersburg, Florida in a separate letter dated July 14, 2006.

This report is intended solely for the information and use of the Mayor, City Council, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

July 14, 2006
Certified Public Accountants



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

**Independent Auditors' Report on Compliance With Requirements
Applicable to Each Major Program and on Internal Control Over Compliance
in Accordance With OMB Circular A-133 and *Rules of the Auditor General***

The Honorable Mayor and Members of City Council
City of St. Petersburg, Florida:

Compliance

We have audited the compliance of the City of St. Petersburg, Florida (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement*, and the requirements described in the Executive Office of the Governor's State Projects Compliance Supplement, that are applicable to each of its major federal programs and state projects for the year ended September 30, 2005. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state projects is the responsibility of the City's management. Our responsibility is to express an opinion on the City's compliance based on our audit.

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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General*. Those standards, OMB Circular A-133, 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 or state project 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. Our audit does not provide a legal determination of the City's compliance with those requirements.

As described in items 2005-5, 2005-6, and 2005-7 in the accompanying schedule of findings and questioned costs, the City did not comply with the requirements regarding cash management, reporting, allowable costs and activities, and special tests and provisions that are applicable to the Economic Initiative Grant. Compliance with such requirements is necessary, in our opinion, for the City to comply with requirements applicable to that program.

In our opinion, because of the effects of the noncompliance described in the preceding paragraph, the City did not comply in all material respects with the requirements referred to above that are applicable to the Economic Initiative Grant.



Additionally, as described in item 2005-10 in the accompanying schedule of findings and questioned costs, the City did not comply with the requirements regarding Davis-Bacon that are applicable to its Highway, Planning and Construction Grant. Compliance with such requirements is necessary, in our opinion, for the City to comply with the requirements applicable to that program.

Also, in our opinion, the City complied, in all material respects, with the requirements referred to above that are applicable to each of its other major federal programs and state projects for the year ended September 30, 2005. The results of our auditing procedures also disclosed other instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General* which are described in the accompanying schedule of findings and questioned costs as items 2005-3, 2005-4, 2005-8, 2005-9, 2005-11 and 2005-12.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state projects. In planning and performing our audit, we considered the City's internal control over compliance with requirements that could have a direct and material effect on a major federal program or state project in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General*.

We noted certain matters involving the internal control over compliance and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over compliance that, in our judgment, could adversely affect the City's ability to administer a major federal program or state project in accordance with the applicable requirements of laws, regulations, contracts, and grants. Reportable conditions are described in the accompanying schedule of findings and questioned costs as items 2005-4, 2005-5, 2005-6, 2005-7, 2005-8, 2005-10, and 2005-11.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants caused by error or fraud that would be material in relation to a major federal program or state project being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, of the reportable conditions described above, we consider items 2005-6, 2005-7, 2005-8, 2005-10, and 2005-11 to be material weaknesses.

This report is intended solely for the information and use of the Mayor, City Council, management and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

July 14, 2006
Certified Public Accountants

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF EXPENDITURES OF FEDERAL, AWARDS AND STATE PROJECTS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

FEDERAL GRANTOR AND PASS-THROUGH GRANTOR
 WITH PROGRAM TITLE

	CFDA/CSFA NUMBER	GRANT CONTRACT NUMBER
FEDERAL ASSISTANCE PROGRAMS		
U. S. DEPARTMENT OF AGRICULTURE		
Passed through Florida Department of Health Child and Adult Care Food Program	10.558	A-1096
Passed through Florida Department of Education Summer Food Service Program for Children	10.559	04-0911
Total Department of Agriculture		
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Direct Program		
Community Development Block Grant	14.218	B-02-MC-12-0017
Community Development Block Grant	14.218	B-03-MC-12-0017
Community Development Block Grant	14.218	B-04-MC-12-0017
Total Community Development Block Grant		
Emergency Shelter Grant Program	14.231	S-03-MC-12-0009
Emergency Shelter Grant Program	14.231	S-04-MC-12-0009
Total Emergency Shelter		
HOME Investment in Affordable Housing	14.239	M-99-MC-12-0220
HOME Investment in Affordable Housing	14.239	M-00-MC-12-0220
HOME Investment in Affordable Housing	14.239	M-01-MC-12-0220
HOME Investment in Affordable Housing	14.239	M-02-MC-12-0220
HOME Investment in Affordable Housing	14.239	M-03-MC-12-0220
HOME Investment in Affordable Housing	14.239	M-04-MC-12-0220
Total HOME Investment Partnership Program		
The Dome Industrial Park Project	14.246	B-99-BD-12-0012
Neighborhood Initiative "Youth Build"	N/A	B-00-NI-FL-SP-0002
Manhattan Casino Rehabilitation	14.246	B-03-SP-FL-0162
Restoration of Jordan School	14.246	B-04-SP-FL-0156
Tangerine Avenue Community Redevelopment Area	14.246	B-04-SP-FL-0173
Dome Industrial and Jordan Park Renovation	14.246	B-04-SP-FL-0174
Section 108 Loan - Dome Industrial Park	14.248	B-99-MC-12-0017
Fair Housing Assistance Program	14.401	FF204K-03-4010
Fair Housing Assistance Program	14.401	FF204K-04-4010
Fair Housing Assistance Program	14.401	FF204K-05-4010
Total Fair Housing Assistance Program		
Total Department of Housing and Urban Development		
U. S. DEPARTMENT OF INTERIOR		
Passed through Florida Department of Environmental Protection		
CVA Pumpout Project	15.616	LE528
Dell Holmes Park	15.916	LW439
Bartlett Park Improvements	15.916	LW507
Total Department of Interior		

The accompanying notes are an integral part of this schedule.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

GRANT AWARD	CITY FUND	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
\$ 147,140	General	\$ 130,036	-
353,407	General	<u>353,407</u>	<u>-</u>
		<u>483,443</u>	<u>-</u>
3,012,000	Grants	342,253	-
2,800,000	Grants	2,085,918	\$ 1,078,249
2,716,000	Grants	<u>1,062,921</u>	<u>-</u>
		<u>3,491,092</u>	<u>1,078,249</u>
103,000	Grants	3,043	-
102,422	Grants	<u>102,422</u>	<u>100,344</u>
		<u>105,465</u>	<u>100,344</u>
1,379,000	Grants	0	-
1,380,000	Grants	0	-
1,530,000	Grants	267,677	107,554
1,525,000	Grants	0	-
1,458,051	Grants	194,976	-
2,116,958	Grants	<u>1,151,496</u>	<u>-</u>
		<u>1,614,149</u>	<u>107,554</u>
1,000,000	Economic Dev. CIP	<u>115,633</u>	<u>-</u>
360,000	General	<u>6,294</u>	<u>6,294</u>
894,150	Economic Dev. CIP	<u>771,546</u>	<u>-</u>
99,410	Economic Dev. CIP	<u>0</u>	<u>-</u>
497,050	Economic Dev. CIP	<u>496,418</u>	<u>-</u>
497,050	Economic Dev. CIP	<u>0</u>	<u>-</u>
4,000,000	Economic Dev. CIP	<u>445,479</u>	<u>-</u>
129,734	General	35,000	-
71,600	General	71,600	-
82,894	General	<u>0</u>	<u>-</u>
		<u>106,600</u>	<u>-</u>
		<u>7,152,676</u>	<u>1,292,441</u>
19,250	Marina	16,473	-
200,000	General CIP	41,591	-
200,000	General CIP	<u>97,988</u>	<u>-</u>
		<u>156,052</u>	<u>-</u>

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, AND STATE PROJECTS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

FEDERAL GRANTOR AND PASS-THROUGH GRANTOR
 WITH PROGRAM TITLE

	CFDA/CSFA NUMBER	GRANT CONTRACT NUMBER
U. S. DEPARTMENT OF JUSTICE		
Direct Program		
Local Law Enforcement Block Grant VIII	16.592	2003-LB-BX-0282
Local Law Enforcement Block Grant IX	16.592	2004-LB-BX-1400
Weed and Seed Program - St. Petersburg Site	16.595	2001-WS-QX-0203
Passed through FL Department of Law Enforcement		
Byrne Formula Westcare Offender Reentry	16.579	05-CJ-K3-08-62-02-254
Total Department of Justice		
U. S. DEPARTMENT OF TRANSPORTATION		
Direct Program		
Airport Master Plan	20.106	3-12-0074-012-2004
Passed through Florida Department of Transportation		
Bike Route Improvements Master Plan	20.205	AMB-59
Bicycle Route Markers	20.205	ANM-38
Bicycle Pedestrian Path Enhancement	20.205	ANS-36
ITS Pedestrian Crossing Project	20.205	ANS-37
Rio Vista Bike Path	20.205	AN-217
83rd Avenue N. Sidewalk	20.205	AN-238
22nd Ave. N. Traffic Operational Modification	20.205	AN-891
1st Avenue North/South Sidewalks	20.205	ANG09
Shore Acres Bike Path	20.205	ANG18
Bicycle/Pedestrian Coordinator	20.205	ANS-23
Bicycle/Pedestrian Paths	20.205	ANS-73
Debris Removal of FHWA Roads	20.205	H7083
Debris Removal of FHWA Roads	20.205	H7084
Total Department of Transportation		
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION		
Direct Program		
Contract Funds	30.002	00/5010/0023
U. S. ENVIRONMENTAL PROTECTION AGENCY		
Direct Programs		
Brownfields Petroleum Assessment	66.818	BF-97493203-1
Passed through Florida Department of Environmental Protection		
Northeast Water Reclamation Facility Improvements	66.458	CS120521020
Southwest Water Reclamation Facility Improvements	66.458	CS120521030
Total Environmental Protection Agency		
U. S. DEPARTMENT OF HOMELAND SECURITY		
Direct Program		
Hurricane Relief FY2004	97.036	Various
Metropolitan Medical Response System	97.071	EMW-2004-GR0731
Passed through Florida Department of Law Enforcement		
Law Enforcement Terrorism Prevention	97.004	05-CJ-L2-04-62-02-050
Passed through Florida Department of Community Affairs		
Flood Mitigation Assistance Project	97.029	02FM-49-08-62-02-022
Total Federal Emergency Management Agency		

Total Expenditures of Federal Awards

The accompanying notes are an integral part of this schedule.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

GRANT AWARD	CITY FUND	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
\$ 729,601	Special Revenue	\$ 581,164	\$ 16,800
322,193	Special Revenue	124,489	-
500,000	General	76,730	-
120,000	General	<u>71,638</u>	<u>71,638</u>
		<u>854,021</u>	<u>88,438</u>
150,000	Airport CIP	145,639	-
784,586	General CIP	222,852	-
27,563	General CIP	0	-
500,000	General CIP	19,188	-
190,681	General CIP	9,408	-
218,500	General CIP	176,482	-
76,500	General CIP	16,052	-
184,195	General CIP	161,121	-
120,000	General CIP	930	-
873,887	General CIP	37,655	-
49,667	General	32,910	-
3,068,718	General CIP	124,531	-
69,811	Various	69,811	-
222,358	Various	<u>222,358</u>	<u>-</u>
		<u>1,238,937</u>	<u>-</u>
269,450	General	<u>183,750</u>	<u>-</u>
200,000	Economic Dev. CIP	78,048	-
5,133,605	Water & Wastewtr CIP	17,979	-
5,837,000	Water & Wastewtr CIP	<u>6,452</u>	<u>-</u>
		<u>102,479</u>	<u>-</u>
2,392,232	Various	1,058,164	-
400,000	General	55,765	-
8,000	General	7,380	
76,455	General CIP	<u>7,645</u>	<u>7,645</u>
		<u>1,128,954</u>	<u>7,645</u>
		<u>\$ 11,300,312</u>	<u>\$ 1,388,524</u>

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CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, AND STATE PROJECTS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

	CFDA/CSFA NUMBER	GRANT CONTRACT NUMBER
STATE GRANTOR WITH PROGRAM TITLES		
EXECUTIVE OFFICE OF THE GOVERNOR		
Direct Program		
Defense Infrastructure Grant	31.002	DIG-03-11
DEPARTMENT OF ENVIRONMENTAL PROTECTION		
Direct Program		
Booker Creek Park	37.017	F6258
Jungle Prada Park	37.017	F6286
Total Department of Environmental Protection		
DEPARTMENT OF STATE AND SECRETARY OF STATE		
Direct Program		
Mirror Lake Complex Historical Renovation	45.032	SC 334
DEPARTMENT OF COMMUNITY AFFAIRS		
Direct Program		
Residential Construction Mitigation	52.016	05RC-11-08-62-02-008
Total Department of Community Affairs		
FLORIDA HOUSING FINANCE CORPORATION		
Direct Programs		
State Housing Initiatives Partnership FY 2002-2003	52.901	N/A
State Housing Initiatives Partnership FY 2003-2004	52.901	N/A
State Housing Initiatives Partnership FY 2004-2005	52.901	N/A
State Housing Initiatives Partnership	52.901	Program Income
Total Florida Housing Finance Corporation		
DEPARTMENT OF TRANSPORTATION		
Direct Programs		
State Road 93 between Roosevelt Boulevard and Big Gap Island	55.003	ANI10
State Road 93 Right of Way at 4th Street North Interchange	55.003	ANY08
State Road 693 between Central Avenue and 40th Avenue North	55.003	ANX56
Reconstruct Airport Hangars, Airfield Drainage and Development of Intermodal Facility	55.004	AG-077
Airport Master Plan	55.004	ANI-85
Airport Signage	55.004	ANI-86
Airport Helipad Relocation	55.004	ANO-84
Upgrade Warehouses and Rehabilitation/Repair of Wharf and Fender Systems (Note 3)	55.005	AG-583
Seaport Terminal Improvements (Note 3)	55.005	AI-528
Seaport Access Improvements	55.014	AN-538
Total Department of Transportation		
DEPARTMENT OF REVENUE		
Direct Programs		
Sales Tax Refund for Professional Sports Facility Debt Service	73.016	N/A
DEPARTMENT OF JUVENILE JUSTICE		
Direct Program		
Community Delinquency Prevention Program	80.029	Q6002
Total Expenditures of State Projects		

The accompanying notes are an integral part of this schedule.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

GRANT AWARD	CITY FUND	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
\$ 350,000	Port CIP (1)	\$ <u>103,672</u>	\$ <u>-</u>
200,000	General CIP	0	-
200,000	General CIP	<u>28,685</u>	<u>-</u>
		<u>28,685</u>	<u>-</u>
200,000	City Services CIP	<u>90,837</u>	<u>-</u>
200,000	General CIP	<u>61,130</u>	<u>58,720</u>
		<u>61,130</u>	<u>58,720</u>
1,991,231	Special Revenue	334,223	-
1,781,669	Special Revenue	1,029,094	36,040
1,879,728	Special Revenue	916,653	150,972
23,450	Special Revenue	<u>23,450</u>	<u>-</u>
		<u>2,303,420</u>	<u>187,012</u>
482,000	General CIP	223,002	-
150,000	General CIP	124,858	-
150,000	General CIP	2,915	-
1,345,000	Airport CIP (1)	37,497	-
4,986	Airport CIP (1)	2,303	-
1,585	Airport CIP (1)	1,582	-
1,680	Airport CIP (1)	760	-
600,000	Port CIP (1)	15,497	-
1,425,000	Port CIP (1)	196,083	-
165,000	Port CIP (1)	<u>45,576</u>	<u>-</u>
		<u>650,073</u>	<u>-</u>
1,855,380	Special Revenue	<u>2,000,004</u>	<u>-</u>
120,059	General	<u>23,640</u>	<u>-</u>
		<u>\$ 5,261,461</u>	<u>\$ 245,732.00</u>

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CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

SCHEDULE OF EXPENDITURES OF OTHER GOVERNMENTAL AGENCIES AWARDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2005

OTHER GRANTORS WITH PROGRAM TITLES

	FA NUMBER	CONTRACT NUMBER
SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT		
Direct Program		
Restoration Management Plan for Lake Maggiore	N/A	95CON000117
Sensible Sprinkling	N/A	01CON000113
St. Petersburg Toilet Replacement Program, Phase VI	N/A	02CON000022
NEWRF Reclaimed Water Storage	N/A	02CON000119
ICI Spray Value	N/A	05CON000065
St. Petersburg Toilet Replacement Program, Phase VII	N/A	05CON000088
Boyd Hill Park Exotic Vegetation Removal	N/A	N/A
Total Southwest Florida Water Management District		
PINELLAS COUNTY		
Direct Program		
Boyd Hill Exotic Vegetation Elimination Project	N/A	2002-0005-012
Pedestrian Improvements on Park Street	N/A	Project 1094
Total Pinellas County		
JUVENILE WELFARE BOARD OF PINELLAS COUNTY		
Direct Program		
Building Blocks/PROVIDE	N/A	N/A
Childs Park Recreation Center Teen Coordinator 2005	N/A	N/A
TASCO Teen "Impressions" Magazine	N/A	N/A
Teen Camp - Fiscal Year 2005	N/A	N/A
Total Juvenile Welfare Board		
Total Expenditures of Other Governmental Awards		

TOTAL EXPENDITURES OF FEDERAL, STATE AND OTHER GOVERNMENTAL AGENCIES AWARDS

(1) Financial Assistance in the above-referenced funds are accounted for on the Accrual Basis.
 All other grants are accounted for on the Modified Accrual Basis, as explained in Note 1.

The accompanying notes are an integral part of this statement.

CITY OF ST. PETERSBURG, FLORIDA
 COMPREHENSIVE ANNUAL FINANCIAL REPORT

GRANT AWARD	CITY FUND	EXPENDITURES	TRANSFERS TO SUBRECIPIENTS
\$ 8,910,000	4013	Stormwater CIP (1)	\$ -
100,000	4001	Water & Wastewater (1)	-
197,161	4001	Water & Wastewater (1)	-
1,420,000	4003	Water & Wastewater CIP (1)	-
10,000	4001	Water & Wastewater (1)	-
25,000	4001	Water & Wastewater (1)	-
343,733	3029	City Services CIP	-
		<u>2,300,377</u>	<u>-</u>
300,000	3029	City Services	-
150,000	3001	General CIP	-
		<u>282,476</u>	<u>-</u>
619,688	0001	General	-
20,000	0001	General	-
80,571	0001	General	-
232,808	0001	General	-
		<u>950,994</u>	<u>-</u>
		<u>\$ 3,533,847</u>	<u>\$ -</u>
		<u>\$ 20,095,620</u>	<u>\$ 1,634,256</u>

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER
GOVERNMENTAL AGENCIES AWARDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies applied in the preparation of the accompanying Schedule of Expenditures of Federal, State and other Governmental Agencies Awards.

BASIS OF PRESENTATION

Federal and State Assisted Programs administered by the City of St. Petersburg, Florida (the "City"), are accounted for within the City's General, Special Revenue, Capital Project, and Enterprise fund types, as appropriate, based on the purpose and requirements of the grant. The accompanying Schedule of Expenditure of Federal, State and Other Governmental Agencies Awards (schedule) has been prepared on a basis of funding source (grantor agency), by extracting the individual grant information from the various fund types. The principal differences between the accounting policies followed in this schedule and the City's annual financial report are as follows:

- * Financial information relating to Federal, State and other Governmental Agencies Assisted Programs is aggregated by grantor agency and reported as if each program was a Special Revenue Fund. Generally accepted accounting principles require classification of grant programs to various fund types based on the purpose and requirements of the grant.

- * Proceeds from grantor agencies for capital acquisition grants are reported as expenditures in this schedule.

BASIS OF ACCOUNTING

The modified accrual basis of accounting is followed in the Schedule of Expenditures of Federal Awards and State Financial Assistance for grant activities of governmental funds. 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. Expenditures are recorded when the related liability is incurred. In applying the susceptible-to-accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of such revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and substantially irrevocable; i.e., revocable only for failure to comply with prescribed compliance requirements, such as with equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the availability criteria.

Grant activities accounted for in an Enterprise fund are recorded on the accrual basis. This basis of accounting is intended to provide an accurate matching of expenses with associated revenues. Revenues are recognized when they have been earned and are measurable, and eligible expenses are recognized when they are incurred.

CITY OF ST. PETERSBURG, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL, STATE AND OTHER
GOVERNMENTAL AGENCIES AWARDS
FISCAL YEAR ENDED SEPTEMBER 30, 2005**

NOTE 2 - LOANS OUTSTANDING

The City of St. Petersburg, Florida had the following loan balances outstanding at September 30, 2005.

PROGRAM TITLE	CFDA/CSDA	TOTALS
Community Development Block Grant	14.218	\$ 636,248
HOME Investment in Affordable Housing	14.239	7,616,237
State Housing Initiative Partnership	52.901	7,492,798

NOTE 3 - FSTED GRANTS

As of September 30, 2005, the City had the following grant from the Florida Seaport Transportation and Economic Development Program:

- Seaport Facility Improvements

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

(1) Summary of Auditors' Results

- (a) An unqualified opinion was issued on the basic financial statements.
- (b) There were two reportable conditions disclosed by the audit of the basic financial statements, both are considered to be material weaknesses in internal control.
- (c) There was no noncompliance which is material to the basic financial statements.
- (d) There were seven reportable conditions in internal control over major federal programs. Five of those reportable conditions are also considered to be material weaknesses. There were no reportable conditions or material weaknesses over major state projects.
- (e) An unqualified opinion was issued on compliance for the major federal programs, except for an adverse opinion for the Economic Development Initiative Grant and a qualified opinion on Davis-Bacon for the Highway, Planning, and Construction Grant. An unqualified opinion was issued on compliance for major state projects.
- (f) There were 11 findings relative to the major federal programs and one finding relative to the major state projects.

(g) Major programs:

Federal Programs:

U.S. Department of Housing and Urban Development:	
HOME Investment in Affordable Housing	CFDA 14.239
Section 108 Loan Guarantee Program	CFDA 14.248
Economic Development Initiative Grant	CFDA 14.246
U.S. Department of Interior:	
Outdoor Recreation, Acquisition, Development, and Planning Grant	CFDA 15.916
U.S. Department of Transportation:	
Highway, Planning, and Construction Grant	CFDA 20.205
Airport Master Plan	CFDA 20.106
Equal Employment Opportunity Commission:	
Contract Funds	CFDA 30.002
U.S. Department of Homeland Security:	
Disaster Relief Funding	CFDA 97.036

State Projects:

Florida Housing Finance Corporation:	
State Housing Initiatives Partnership	CSFA 52.901
Department of Revenue:	
Sales Tax Refund for Professional Sports Facility Debt Service	CSFA 73.016
Department of Transportation:	
Highway Beautification Council	CSFA 55.003

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

- (h) The threshold for distinguishing Type A and Type B programs/projects was \$339,009 for major federal programs and \$300,000 for major state projects.
- (i) The auditee did not qualify as a low-risk auditee under Section 530 of OMB Circular A-133.

(2) Findings Relating to the Basic Financial Statements Reported in Accordance With *Government Auditing Standards*

We noted the following matters involving internal control and its operation that we consider to be material weaknesses:

Finding 2005-1 – Financial Reporting

Criteria:

Proper reporting of financial results in a timely and accurate manner is an important component of internal control. Controls should be in place to monitor account balances and funds on a regular basis to detect potential errors that could impact the accurate reporting of financial results.

Condition:

Throughout fiscal 2005 sufficient controls were not in place to detect and correct errors that impacted financial reporting. Several balance sheet accounts contained amounts and balances that were not correct and consequently the closing process and preparation of the Comprehensive Annual Financial Report was not completed for ten months after the September 30, 2005 fiscal year end.

Context:

Several post closing journal entries were needed to finalize year end account balances.

Effect:

Not having accounts and funds monitored and reconciled on a regular basis can result in errors occurring that could go undetected. Sometimes these errors can be the result of process activities that need to be revised to prevent future similar errors.

Recommendation:

Procedures need to be in place to have all account balances and funds monitored on a monthly basis. Individuals need to be assigned specific responsibilities in these areas and held accountable. There should be adequate supervision and review performed to ensure all reconciliations are taking place. When errors are identified that require adjustment, the nature of the error needs to be identified and corrected so that similar errors in the future do not occur.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

City's Response:

We concur with the auditors' recommendation. This will be one of the top priorities of the new Finance Department Director. Currently, the City has taken the following steps to address this issue:

- The City has created a new management team within the Finance Department to assist in producing a timely and accurate CAFR. This team is also tasked with reviewing and revising, as necessary, many of the Finance Department policies and procedures as well as working with the external auditors during the annual audit.
- The City has hired an Accounting Systems Specialist with extensive experience in the Oracle system to assist a newly created management team.
- All Oracle accounting procedures related to timely reporting, accuracy, etc. will be reviewed and approved by Finance Department management on a timely basis.
- Quarterly Financial Reports will be sent to the Mayor and City Council on a timely basis.
- Finance has implemented a monthly trail balance analysis beginning June 2006.

Finding 2005-2 – Bank Reconciliations

Criteria:

Bank reconciliations are part of an effective system of internal controls. Bank reconciliations are designed to detect errors or irregularities by comparing amounts recorded in the general ledger to supporting documentation. Any differences should be investigated and resolved in a timely manner.

Condition:

The bank reconciliations for the concentration and payroll bank accounts were not being performed in a timely manner, and these accounts had not been reconciled to the general ledger in several months.

Context:

The amount as recorded on the City's general ledger was \$1,971,019 higher than the amount as calculated per the reconciliation, and required an adjusting entry be made to bring the general ledger to the proper balance.

Effect:

Several general ledger accounts are subject to errors and irregularities since the reconciling items on the bank reconciliations are not being identified and corrected on a timely basis.

Recommendation:

To ensure that the bank balances are properly reported in the general ledger, that any significant reconciling items are discovered and resolved in a timely manner, and to improve accounting controls over the City's cash accounts, we recommend that the bank reconciliations be prepared monthly on a timely basis and that the Finance Director review the reconciliations, as well as the appropriate disposition of reconciling items and any related journal entries, in a timely manner.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

City's Response:

We concur with the auditor's recommendation. Currently, the City has taken the following steps to address this issue:

- During FY 2006, the Oracle Improvement Team has been working through both process and Oracle set up issues that impact the current complexity of the bank reconciliation process. Reconciliations are up to date for all accounts except the Payroll and General Disbursement accounts. Process changes have been completed and Oracle set up changes have been defined for implementation during the balance of FY 2006.
- All revenue received by the city is reconciled to the bank statements by the Billing & Collections Department on a daily basis
- The manager of accounting will continue to review and approve all bank reconciliations
- Bank reconciliations must be completed within thirty days of month end.

(3) Findings and Questioned Costs Relating to Major Federal Programs

Finding 2005-3

U.S. Department of Housing and Urban Development: Home Investment Partnership Program (HOME), CFDA No. 14.239; Award Number: M-04-MC-12-0220; Award Year: October 1, 2004 – September 30, 2009.

Criteria:

Costs that benefit more than one funding stream are considered to be indirect costs and must be allocated to the various grants benefited in a reasonable and consistent manner. The methods used to allocate indirect costs should be documented and supportable. (OMB A-87)

Conditions:

Housing Department employees keep manual timesheets each payperiod that track time by specific grant. The data from these timesheets is entered into an Access database and reviewed at the end of each quarter. This data is then used to establish the labor distribution percentages that will be used to charge costs to each grant for the next quarter. We observed the Access database summary for the 1st and 3rd quarters of FY 2005 and compared these results to the percentages actually used to allocate individual salaries to grants. We observed a number of differences.

Questioned Costs:

Unknown

Context/Effect:

The City did not meet the requirements of OMB Circular A-87, with respect to allocations of salaries and related costs. Total salaries expenditures and related costs charged to this grant were \$231,534.

Perspective:

The condition is considered systemic in nature.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Recommendation:

The condition noted above was reported as a finding in the prior year, and the City began working to correct this issue after it was identified (in late FY 2005). We recommend the Housing Department closely evaluate the timesheet data collected and adjust grant allocations accordingly. We also recommend the Housing Department formally document its procedures with respect to tracking time and allocating costs. The methods used to allocate indirect costs must be fully documented and supportable.

City's Response:

During fiscal year 2005, HCD staff completed weekly timesheets in the time frame prescribed by departmental policy, which allowed the compliance coordinator to enter the data into HCD's Access database in a timelier manner. However, during fiscal year 2005, delays in posting HCD's payroll into the Oracle accounting system resulted in the quarterly reviews of the reconciliation of employee's time charged on the timesheet to the actual time charged in Oracle not being completed in a timely manner. This resulted in delays in making any quarterly changes to HCD's labor distribution. The delays in posting these expenditures into the Oracle system are currently being addressed by the Oracle Improvement Team within the Finance Department and we anticipate more timely postings during FY 2006.

In addition, the Housing and Community Development Department will document in its Standard Operating Procedures, departmental procedures for addressing these types of issues.

Finding 2005-4

U.S. Department of Housing and Urban Development: Section 108 Loan Guarantee Program, CFDA No. 14.248; Award Number: B-99-MC-12-0017, Award Year: May 8, 2000 – September 30, 2005.

Criteria:

All grant expenditures must be allowable based upon the terms of the grant agreement.

Conditions:

The City acquired a parcel of real property with \$51,375 of Section 108 Loan Guarantee Program funds. The expenditure is not allowable, however, because the property is not located within the Dome Industrial Pilot Project (DIPP) area. We also noted the following issues:

- A site-specific environmental review for the property was conducted and approved by the City's Director of Housing, with the condition that a Phase I environmental review be performed. Per Economic Development staff, a Phase I review was not conducted because one had been completed for an adjoining property (in 2002). This decision to forgo the Phase I review was not documented in the file or approved by the Director of Housing.
- This acquisition was not originally funded with proceeds from the Section 108 Loan Guarantee Program. It was later moved to this grant after a determination was made that the program budget was incorrect and additional funds remained to be expended.
- The Economic Initiative grant funds may be disbursed in a ratio not to exceed \$1.00 of Economic Initiative grant funds to \$4.00 of the Section 108 Loan Guarantee Program. If these costs are disallowed, the City may no longer be in compliance with the 4:1 ratio requirement.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Questioned Costs:

\$51,375

Context/Effect:

Expenditures totaling \$371,221 were selected for testing.

Perspective:

This condition is considered isolated to the above amount.

Recommendations:

All grant expenditures must be subject to the appropriate level of review to ensure that costs are allowable under the grant and are supported by adequate documentation.

We recommend the City re-evaluate its processes regarding management of competitive grants. In many cases, these are one-time grants that are managed by City Departments / staff that are not properly trained with respect to the compliance and control requirements of federal and state grants. We recommend the City develop and formalize general policies and procedures for all aspects of grants management. Specific procedures should be tailored for each new grant received and approved by the City's Finance Department prior to incurring any grant expenditures. We also recommend training prior to the start of grant activity to ensure all appropriate staff members understand grant requirements and the policies and procedures in place.

City's Response:

We concur with the auditor's recommendation. Staff has reviewed applicable federal regulations and developed a checklist for steps required prior to acquisition of property using federal funding, which will be incorporated into all future acquisitions. Additionally, appropriate staff will attend HUD training in July 2006 on compliance with acquisition and relocation requirements. Also, the City has hired a Contracts/Grants Coordinator in the Budget Department which is intended to improve oversight of issues such as these.

Finding 2005-5

U.S. Department of Housing and Urban Development: Economic Development Initiative, CFDA No. 14.246; Award Number: B-99-BD-12-0012; Award Year: March 2001 – July 2005.

U.S. Department of Housing and Urban Development: Section 108 Loan Guarantee Program, CFDA No. 14.248; Award Number: B-99-MC-12-0017; Award Year: May 8, 2000 – September 30, 2005.

Criteria:

Documentation to support cash draws should be maintained and reviewed by management prior to requesting funds from the federal agency.

Conditions:

The City was not able to specifically identify the expenditures associated with \$16,690 of funds drawn from the Economic Development Initiative Grant and \$66,700 of funds drawn from the Section 108 Loan Guarantee Program. These cash draw requests were initiated near the beginning of the fiscal year and were

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

equal to the difference between funds received to date and expenditures per the general ledger. The City did not review supporting documentation in conjunction with the cash draw process.

Questioned Costs:

The expenditures associated with these cash draws were incurred prior to FY 2005, thus there are no questioned costs in the current fiscal year.

Context/Effect:

We observed all FY 2005 cash draws.

Perspective:

The condition is isolated to the instance noted above.

Recommendations:

We recommend the City clearly identify and document the expenditures associated with each cash draw request. Management should then review and approve underlying documentation prior to initiating the draw request. Policies and procedures associated with the cash draw process should be formally documented.

City's Response:

We concur with the auditor's recommendation and we will formalize our policies and procedures associated with the cash draw process. The Finance Department staff member assigned to Grants Accounting (Grants Compliance Officer) will be responsible for reviewing all documentation prior to submitting to the proper department for drawing down funds.

Finding 2005-6

U.S. Department of Housing and Urban Development: Economic Development Initiative, CFDA No: 14.246; Award No.: B-99-BD-12-0012; Award Year: March 2001 – July 2005.

Criteria:

Grant recipients should file all required financial and other reports with the applicable governmental agencies in an accurate and timely manner. The City was required to file a Federal Cash Transactions Report for the Economic Development Initiative Grant each quarter.

Condition:

The Federal Cash Transactions Report had errors in the third and fourth quarters of fiscal year 2005, as well as the first quarter of fiscal year 2006. The reports did not reconcile to the general ledger. In the fourth quarter report, for example, \$168,432 of expenditures were reported when only \$115,634 was left in the grant. The first quarter 2006 report shows an ending balance of \$0, but does not actually foot. There does not appear to be sufficient oversight controls with respect to reporting.

Questioned Costs:

None

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Context/Effect:

All Federal Cash Transaction Reports for fiscal year 2005 were reviewed, as well as the final quarterly report filed for the period ended December 31, 2005.

Recommendation:

We recommend a formal review process for all grant reporting. Reports should be prepared by one individual and the report and supporting documentation reviewed and approved by a second person. Both the report preparer and reviewer should document their approval of the report.

City's Response:

We concur with the auditor's recommendation and have implemented changes in our preparation and approval of then Federal Cash Transactions Report. The Finance Department staff member assigned to Grants Accounting (Grants Compliance Officer) will be responsible for reviewing all documentation prior to submitting to the proper department for drawing down funds. The City has also hired a Contracts/Grants Coordinator in the Budget and Management Department which is intended to improve oversight of issues such as these.

Finding 2005-7

U.S. Department of Housing and Urban Development: Economic Development Initiative, CFDA No: 14.246; Award No.: B-04-SP-FL-173; Award Year: December 21, 2004.

Criteria:

Prior to expenditures for property acquisitions are made, the grant requires the grantee to comply with environmental review requirements.

Condition:

The City received an Economic Development Initiative Grant to fund property acquisition and redevelopment within the Tangerine Avenue Community Redevelopment Area (TACRA). The City's Economic Development Department manages this project. During FY 2005, the City expended funds totaling \$496,418 on TACRA which included the acquisition of 3 parcels of real property totaling \$372,394. The remaining funds were primarily expended on costs associated with the property closings and demolition activities on existing City-owned sites.

Economic Development Initiative grants require, among other things, that the grantee comply with environmental review requirements. The City's Economic Development Department did not complete the required environmental review procedures for any of the TACRA properties, including completion of a site-specific checklist for each property acquired or subject to demolition work.

Questioned Costs:

\$496,418

Context/Effect:

The City did not have sufficient controls in place with respect to environmental reviews and management of grant activity.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Perspective:

This condition is systemic in nature.

Recommendation:

The City should follow environmental review requirements as specified by grant agreements and HUD regulations. See comments regarding overall grants management in Finding 2005-04.

City's Response:

We concur with the auditor's recommendation. See City Response for Finding 2005-4.

Finding 2005-8

U.S. Department of Interior, passed through the Florida Department of Environmental Protection: Outdoor Recreation, Acquisition, Development, and Planning Grant, CFDA No. 15.916; Award Numbers: LW439, LW507; Award Years: January 23, 2004 through January 23, 2007, December 15, 2004 through December 15, 2007.

Criteria:

Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. The non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.

Condition:

There was no procurement suspension and debarment statement signed by the vendor or review of the federal excluded parties listing system by the City for each of the vendors under this grant.

Questioned Costs:

None

Context/Effect:

The City entered into two contracts under this grant and did not verify the vendors were not suspended or debarred.

Perspective:

This incident is considered systemic in nature.

Recommendation:

The City needs to implement procedures to ensure that all individuals responsible for the administration of grants are educated on grant requirements and that projects adhere to the Suspension and Debarment requirement.

City's Response:

We concur with the auditor's recommendation. Capital Improvements will work with the Purchasing Department to ensure that proper documentation related to this issue is included with the project files. In addition, we will create a grant regulation checklist for all grant funded projects managed by Capital Improvements.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Finding 2005-9

U.S. Department of Interior, passed through the Florida Department of Environmental Protection (DEP): Outdoor Recreation, Acquisition, Development, and Planning Grant, CFDA No. 15.916; Award Numbers: LW439, LW507; Award Years: January 23, 2004 through January 23, 2007, December 15, 2004 through December 15, 2007.

Criteria:

The grantee shall submit to DEP signed project status reports every ninety days summarizing the work accomplished, problems encountered, percentage of completion, and other information which may be requested by the Department. These reports are required to be submitted by the 5th of the subsequent month.

Condition:

This reporting was not always done every 90 days as the grant required.

Questioned Costs:

None

Context/Effect:

There were 7 required reports that needed to be submitted during the period under audit. Three of the required reports were not submitted and the remaining reports were submitted; however, it was not in the required time frame.

Perspective:

This condition is systemic in nature.

Recommendation:

The City should submit the reports as required on a timely basis.

City's Response:

We concur with the auditor's recommendation. Capital Improvements will submit the proper reports as according to grant requirements in a timely manner. The new Contracts/Grants Coordinator in the Budget and Management Department will monitor all grant reporting compliance.

Finding 2005-10

U.S. Department of Transportation, passed through the Florida Department of Transportation, Highway, Planning, and Construction Grant, CFDA No. 20.205; Award Numbers: FPN: 406484 1 38/58 01, FPN: 413604 1 58 01; Award Years: December 4, 2003 through December 31, 2008, June 24, 2003 through December 31, 2004

Criteria:

Under the Davis-Bacon Act, all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the DOL (40 USC 276a to 276a-7).

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Non-federal entities shall include in their construction contracts subject to the Davis-Bacon Act a requirement that the contractor or subcontractor comply with the requirements of the Davis-Bacon Act and the DOL regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). This includes a requirement for the contractor or subcontractor to submit to the non-Federal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6).

Condition:

The City had no procedures in place during the year regarding the Davis-Bacon Act.

Questioned Costs:

Unknown

Context/Effect:

The City could be liable for additional payment of wages to construction workers if the wage rates actually paid were less than prevailing rates (as defined by the Department of Labor).

Perspective:

This is considered systemic in nature.

Recommendation:

The City should implement procedures to ensure that all individuals responsible for the administration of grants are educated on grant requirements and that all projects with construction costs adhere to the Davis-Bacon requirement, when required.

City's Response:

We concur with the auditor's recommendation. The Engineering Department, in conjunction with the FDOT LAP Administrator, has developed and received FDOT approval of a procedure involving a compliance checklist to verify and certify that federal requirements are included in the bid documents, including Davis-Bacon Wage requirements and the Suspension and Debarment requirements. Additionally, the Engineering Department will develop internal procedures to insure the federal requirements are being met during the construction phase. The City has also hired a Contract/Grants Coordinator, assigned to the Budget and Management Department, to improve grant management and compliance.

Finding 2005-11

U.S. Department of Transportation, passed through the Florida Department of Transportation, Highway, Planning, and Construction Grant, CFDA No. 20.205; Award Numbers: FPN: 406484 1 38/58 01, FPN: 406681 1 38/58 01, FPN: 413604 1 58 01; Award Years: December 4, 2003 through December 31, 2008, June 24, 2003 through December 31, 2005, June 24, 2003 through December 31, 2004.

Criteria:

Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. The non-federal entity must verify that the entity is not suspended or debarred or otherwise excluded.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Condition:

There was no procurement suspension and debarment statement signed by the vendor or review of the federal excluded parties listing system by the City for each of the vendors under the grant.

Questioned Costs:

None

Context/Effect:

The City entered into three contracts under this grant and did not verify that the vendors were not suspended or debarred.

Perspective:

This incident is considered systemic in nature.

Recommendation:

The City needs to implement procedures to ensure that all individuals responsible for the administration of grants are educated on grant requirements and that projects adhere to the Suspension and Debarment requirement.

City's Response:

We concur with the auditor's recommendation. The Engineering Department, in conjunction with the FDOT LAP Administrator, has developed and received FDOT approval of a procedure involving a compliance checklist to verify and certify that federal requirements are included in the bid documents, including Davis-Bacon wage requirements and the Suspension and Debarment requirements. Additionally, the Engineering Department will develop internal procedures to insure the federal requirements are being met during the construction phase. The City has also hired a Contract/Grants Coordinator, assigned to the Budget and Management Department, to improve grant management and compliance.

(4) Findings and Questioned Costs Relating to Major State Projects

Finding 2005-12

Florida Housing Finance Corporation: State Housing Initiatives Partnership (SHIP) Program; CSFA No. 52.901, Award Years: July 1, 2002 – June 30, 2005, July 1, 2003 – June 30, 2006.

Criteria:

Costs that benefit more than one funding stream are considered to be indirect costs and must be allocated to the various grants benefited in a reasonable and consistent manner. The methods used to allocate indirect costs should be documented and supportable. (OMB-87)

Conditions:

Housing Department employees keep manual timesheets each payperiod that track time by specific grant. The data from these timesheets is entered into an Access database and reviewed at the end of each quarter. This data is then used to establish the labor distribution percentages that will be used to charge costs to each grant for the next quarter. We observed the Access database summary for the 1st and 3rd quarters of FY 2005 and compared these results to the percentages actually used to allocate individual salaries to grants. We observed a number of differences.

CITY OF ST. PETERSBURG, FLORIDA

Schedule of Findings and Questioned Costs

Year ended September 30, 2005

Questioned Costs:

Unknown

Context/Effect:

The City did not allocate salaries and related costs based upon the underlying documentation. Total salaries expenditures and related costs were \$235,022.

Perspective:

This condition is considered systemic in nature.

Recommendation:

The condition noted above was reported as a finding in the prior year, and the City began working to correct this issue after it was identified (in late FY 2005). We recommend the Housing Department closely evaluate the timesheet data collected and adjust grant allocations accordingly. We also recommend the Housing Department formally document its procedures with respect to tracking time and allocating costs. The methods used to allocate indirect costs must be fully documented and supportable.

City's Response:

During fiscal year 2005, HCD staff completed weekly timesheets in the time frame prescribed by departmental policy, which allowed the compliance coordinator to enter the data into HCD's Access database in a timelier manner. However, during fiscal year 2005, delays in posting HCD's payroll into the Oracle accounting system resulted in the quarterly reviews of the reconciliation of employee's time charged on the timesheet to the actual time charged in Oracle not being completed in a timely manner. This resulted in delays in making any quarterly changes to HCD's labor distribution. The delays in posting these expenditures into the Oracle system are currently being addressed by the Oracle Improvement Team within the Finance Department and we anticipate more timely postings during FY 2006.

In addition, the Housing and Community Development Department will document in its Standard Operating Procedures, departmental procedures for addressing these types of issues.



KPMG LLP
Suite 1700
100 North Tampa Street
Tampa, FL 33602

Management Letter

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

We have audited 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, 2005, which collectively comprise the City's basic financial statements and have issued our report thereon dated July 14, 2006.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. We have also issued our Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters, and our Independent Auditors' Report on Compliance and Internal Control Applicable to Each Major Federal Program and State Project, and the related Schedule of Findings and Questioned Costs. Disclosures in those reports and schedule, which are dated July 14, 2006, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of governmental audits performed in the State of Florida and require certain items be addressed in this letter. The *Rules of the Auditor General*, Section 10.554(1)(h)(1) require that, unless otherwise required to be reported in the auditors' report on internal control over financial reporting and on compliance and other matters or in the schedule of findings and questioned costs, a management letter shall include a statement as to whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. The status of prior year recommendations not corrected is discussed in Appendix B.

The *Rules of the Auditor General*, Section 10.554(1)(h)(2) require that we determine whether or not the City complied with Section 218.415, *Florida Statutes*, regarding the investment of public funds. At September 30, 2005, the City was in compliance with Section 218.415, *Florida Statutes*, as it relates to the investment of public funds.

The *Rules of the Auditor General*, Section 10.554(1)(h)(3) require that we report any recommendations to improve the City's financial management, accounting procedures, and internal controls. Recommendations to improve the City's financial management, accounting procedures, and internal controls are included in Appendix A.



The *Rules of the Auditor General*, Section 10.554(1)(h)(4) state that, if not already reported in the auditors' report on internal control over financial reporting and on compliance and other matters or in the schedule of findings and questioned costs, the management letter shall include, unless clearly inconsequential, the following:

- (a) Violations of laws, rules, regulations, and contractual provisions or abuse that have occurred, or were likely to have occurred, and were discovered within the scope of the audit.
- (b) Improper or illegal expenditures discovered within the scope of the audit that may not materially affect the financial statements.
- (c) Deficiencies in internal control that are not reportable conditions, including, but not limited to:
 - (1) Improper or inadequate accounting procedures (i.e., the omission of required disclosures from the annual financial statements).
 - (2) Failures to properly record financial transactions.
 - (3) Other inaccuracies, shortages, defalcations, and instances of fraud discovered by, or that come to the attention, of the auditor.

The results of our audit disclosed no violations of laws, rules, regulations or contractual provisions or abuse, no improper or illegal expenditures, or other deficiencies in internal control which are not otherwise reported.

The *Rules of the Auditor General*, Section 10.554(1)(h)(5) also require that we report on the City's name or official title and legal authority. In that regard, the legal authority to establish a municipality is Article 8, Section 2(a) of the Constitution of the State of Florida. The Charter of the City of St. Petersburg established the municipality in accordance with the aforementioned Article of the Constitution of the State of Florida.

As required by the *Rules of the Auditor General*, Section 10.554(1)(h)(6)(a) the scope of our audit included a review of the provisions of Section 218.503(1), *Florida Statutes* regarding financial emergencies. In connection with our audit we determined that the City is not in a state of financial emergency as a consequence of conditions described in Section 218.503(1), *Florida Statutes*.

As required by the *Rules of the Auditor General*, Section 10.554(1)(h)(6)(b) we determined that the annual financial report for the City for the fiscal year ended September 30, 2005, to be filed with the Florida Department of Banking and Finance pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2005.

As required by the *Rules of the Auditor General*, Section 10.554(h)(6)(c) and 10.556(7), we applied financial condition assessment procedures. 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.

* * * * *



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

KPMG LLP

July 14, 2006
Certified Public Accountants

Current Year Comments and Recommendations

Capital Asset Dispositions

KPMG noted the following in regards to capital asset dispositions:

- Sanitation fund: There were four dispositions totaling \$167,705. None of the assets associated with these dispositions had been removed from the fixed asset detail.
- General fund: We selected 15 land dispositions totaling \$251,018. Assets had not been removed from the books for three of these parcels and there were no asset numbers associated with the remaining 12 parcels. Per discussion with City personnel, properties with no assets numbers are most likely escheat properties. They have no book value and are not included in the City's fixed asset system. The Real Estate Department maintains a separate listing of such City-owned properties.
- There were several assets that did not have adequate documentation to support the disposals. Also, the proceeds from the sale of two of the assets selected were not recorded in the fixed assets module. Per City policy, dispositions should be sent to the Consolidated Warehouse for disposal. This is to ensure that the disposal is properly approved, properly documented, and properly recorded in the fixed assets module and general ledger. We recommend that the Fixed Asset Coordinators in each department receive training to ensure that they comply with City policies.
- Several fixed asset items were sold on a government auction website but were not removed from the fixed asset subsidiary ledger or the general ledger at September 30, 2005. While these amounts were not considered material to the financial statements, we recommend that the City improve their process for vehicle disposals to ensure that Fleet Management is involved in the workflow whenever vehicles are retired for use.

The City needs to develop an effective system to identify and remove assets associated with dispositions. We recommend the City review and update the current processes associated with fixed assets dispositions. In addition, we recommend the City assign all properties an asset number (even those with no book value) so that the fixed asset system properly reflects all City-owned assets. This would provide the City with a control mechanism since it will have a comprehensive listing of assets.

City's Response

We concur with the auditor's recommendation. The Purchasing Department will revise administrative procedures for the disposition of surplus property and clearly articulate when assets are to be transferred to the Consolidated Warehouse and who will document the method of disposal. In addition, the Finance Department has initiated a monthly e-mail update to all departmental fixed asset staff referring to the on-line manual for property disposition, especially land dispositions. Finance will also review asset disposition revenue on a quarterly basis as well as monitor fixed asset auction activity. This will provide better control over fixed asset dispositions.

Review of Account Balances

The City did not review or analyze many of its balance sheet accounts either during the fiscal year or in the process of closing-out the fiscal year. We noted the following:

- Taxes receivable: The City's "Special Revenue Funds" generate significant revenue from taxes that are collected by other entities and later remitted to the City. Examples include utility tax, local option tax, franchise tax and excise tax. The City must therefore establish receivables at year-end to properly record this tax revenue. During our testing of year-end receivables, we noted that the City had not conducted a thorough review of these tax receivables and could not readily provide us with a detail of the receivable balances.
- Deposit accounts: We noted various deposit accounts that had not been analyzed by the City in a number of years. In most cases, the City could not provide a detail of the items in these accounts as of September 30, 2005. The only detail that could be provided was an Oracle detail that showed current year activity.
- Law Enforcement Trust: When cash is seized by the St. Petersburg Police Department, it is deposited into the Law Enforcement Trust fund in an account called "Forfeitures Pending". Funds are later returned to the owner or become City funds, based upon the outcome of the related legal case. We requested and obtained a detail of the items in the "Forfeitures Pending" account as of September 30, 2005. There was a difference between the account detail provided (which totaled \$102,570) and the general ledger balance of \$202,286. The City had not identified this difference of \$99,716 and was not able to reconcile the general ledger to the detail.
- Inventory A/P Accrual: When supplies are received in the Materials Management Fund, inventory is debited and this account is credited. When the related invoice is received, it is supposed to be removed from this account and put into Vouchers Payable. However, the City has not reconciled this account to ensure the amounts are being removed. This has led to a balance in this account of \$740,256, while the related inventory is only \$675,000.

We recommend the City establish policies and procedures to review and analyze all account balances on a periodic basis. At a minimum, this should be done at the City's fiscal year-end to ensure account balances are accurate. The review should be formally documented by staff and reviewed and approved by management. Issues noted during the review should be investigated in a timely manner and adjustments should be made, if needed, to properly reflect account balances at year-end.

City's Response

We concur with the auditor's recommendation. The Finance Department will review all trial balance accounts on a monthly basis. Any unusual balances will be analyzed and adjusted accordingly. This review and adjustments made will be formally documented, reviewed and approved by management.

Schedule of Expenditures of Federal Awards and State Projects

The City's Schedule of Expenditures of Federal Awards and State Projects (SEFA) should, in accordance with OMB A-133 and the Florida State Single Audit, summarize the Federal and State expenditures made during the year. During the audit, we identified several federal and state funds that were not properly included on the SEFA. For example, two of the federal programs and one of the state programs incorrectly excluded program income. Additionally, there were several grants that did not have the expenditures relating to the proper period. It is the responsibility of the Grants Compliance Officer to properly capture the expenditures related to Federal, State and other governmental awards on the SEFA and to communicate with the departments to ensure that the expenditures per the SEFA agree to the expenditures per the

department administering the award. A system should be put in place to ensure that the expenditures reflected on the SEFA agree to the expenditures captured at the department level.

City's Response

We concur with the auditor's recommendation. The accuracy of the SEFA will be a priority of the Finance Department. To assist in issuing a more timely and accurate SEFA, the City has divided the Grants Accounting and Grants Compliance review function between two staff personnel, the Grants Compliance Officer (Finance Department) and Contracts/Grants Coordinator (a new position assigned to the Budget & Management Department, which is intended to improve oversight and management of grants citywide). This will allow for two individuals to review grant related matters and provide a timely and accurate SEFA.

Single Audit – Reimbursement Requests

The reimbursement requests for several of the federal awards and state projects were not submitted to the funding agencies in a timely manner. Delays in reimbursement requests result in delays in payment to the City for reimbursement of expenditures. Reimbursement requests should be submitted timely to ensure prompt reimbursement.

City's Response

We concur with the auditor's recommendation. The Grants Compliance Officer, assigned to the Finance Department, will review all draw requests to determine draws include adequate documentation and are timely. Also, the City has hired a Contracts/Grants Coordinator, assigned to the Budget & Management Department, which is intended to improve grant management and compliance. The Contracts/Grants Coordinator will also monitor the grant reimbursement process and notify departments when it appears that funds are not being drawn down on a timely basis.

Purchase and Sale of Investments

During testing of controls around investments, it was noted that the Finance Director approves all purchases and sales of investments, which are initiated by the City Treasurer. The City has been without a Finance Director since March 2006 and the City Treasurer is the Acting Finance Director. As such, there is no separate review or approval of investment transactions. The quarterly investment reports presented to the Mayor, City Administrator, and Internal Services Administrator, are prepared by the City Treasurer and are not being separately reviewed, as this is also a responsibility of the Finance Director. The City should identify an individual responsible for review and approval of investment transactions and quarterly reports to ensure proper segregation of duties exists and potential errors are detected and corrected.

City's Response

We concur with the auditor's recommendation. During this interim period, the Internal Services Administrator will approve all investment transactions and quarterly reports.

Accounts Payable

Several items were not properly accrued as a City liability at September 30, 2005 even though the related good or service had been received or performed. In addition, several items were improperly accrued as a City liability at September 30, 2005 even though the related good or service was received or performed in the subsequent fiscal year. We recommend the City revise their year-end procedures to include a review of all subsequent disbursements for items which should be accrued.

City's Response

We concur with the auditor's recommendation. The Oracle Improvement Team is currently developing policies and procedures to address this issue, which will include revising a number of purchasing procedures as well as instituting timely year end cut off procedures.

Implementation of New Accounting Standards

Governmental Accounting Standards Board (GASB) has issued Statement No. 45, Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions. This Statement establishes standards for the measurement, recognition, and display of other post-employment benefits (OPEB) expenses and related liabilities, note disclosures and, if applicable, required supplementary information. The City will be required to measure and disclose an amount of annual OPEB cost on the accrual basis of accounting and will be required to have an actuarial valuation performed at least biennially. Although not effective for the City until September 30, 2008, this Statement has significant potential impact to the City's financial statements and future budgets for which the City should begin to analyze and prepare.

City's Response

We concur with the auditor's recommendation. The City has just released an RFP for actuarial services with includes specifications for OPEB. We anticipate that the selected actuary would begin the GASB No. 45 work during fiscal year 2007.

Payroll Special Pay and Deductions

When testing controls surrounding the payroll process, we noted several items were not calculated correctly as follows:

- There were four police employees whose payroll did not include overtime hours in the calculation of their pension deductions.
- There was one fire employee whose payroll did not include holiday pay in the calculation of his pension deduction.
- There was a problem in the Oracle formula that calculates Fire Holiday Special earnings throughout the fiscal year.

The Payroll Department should research these errors and make the necessary adjustments to the Oracle System. The total amount of each error should be determined and corrected in subsequent payroll periods.

City's Response

We concur with the auditor's recommendation. Individual employee payroll elements continue to cause the City concern. The Finance Department will research the above errors and make the necessary adjustments. The Finance Department will monitor both changes related to Oracle payroll and payroll calculations on a weekly basis and will make adjustments, as required. The Assistant Finance Director will review and sign-off on all adjustments prior to their being posted to the system.

Payroll Procedures

When testing payroll expense for reasonableness, KPMG noted several issues with payroll procedures in place:

- There were several manual schedules prepared by the Payroll Department that were incomplete, including the Gross to Net Fiscal YE 2005, Monthly Payroll Schedules for October 2004 and November 2004, and the Fourth Quarter Payroll Tax Schedule. If these schedules are incomplete, they will not be useful in reconciling payroll amounts to the general ledger. If manual schedules are used, they should be updated in a timely manner and reviewed for completeness and accuracy.
- The Oracle Gross to Net reports, which summarize the payroll data processed in each payroll run, were not available. If these reports are not available, the manual schedules prepared by the payroll department are not properly supported. The Payroll Department should keep these reports in electronic format or hard copy in accordance with City document retention policies.
- The amounts reported on the Monthly Payroll Schedule did not agree with the Oracle Gross to Net report for one of the pay periods tested. There were year-end adjustments made to that pay period, but the City was unable to obtain a schedule of these adjustments. The Monthly Payroll Schedule should be reconciled to the Oracle reports to ensure proper support for any adjustments made.
- The W-2 reconciliation prepared by the Payroll Department did not identify or explain the differences among the Oracle Gross to Net Report, Payroll Register, and W-2 register. The Payroll Department should properly reconcile these three reports. Any differences should be identified, researched, and explained.
- The Finance Department does not reconcile accrued wages that are calculated by Oracle and posted to the general ledger with the payroll source data. The Finance Department should reconcile the accrued wages posted to the general ledger with the payroll data and keep supporting documentation on file.
- Manual schedules prepared by the Finance Department for Payroll Entitlement Liabilities contained several clerical errors. Many of the worksheet totals were calculated incorrectly and some line items were incorrect. The Finance Department should designate an individual to review and approve the schedule before adjustments are posted to the general ledger.

City's Response

We concur with the auditor's recommendations. The payroll supervisor is currently working with in-house Oracle staff to determine the best method to account and reconcile these conflicting reports. A number of new procedures will be developed from that analysis including those recommended by the auditor. Also, the Assistant Finance Director will review and sign-off on all reconciliations as well as adjustments made to the system.

Prior Year Comments and Recommendations

Default Clearing

Clearing accounts and suspense accounts are configured in Oracle to capture import exceptions that occur during the interface between sub-ledgers and the general ledger. The Oracle module super users are required to assist in reconciling the sub-ledger suspense accounts weekly to make sure that the items are being cleared out in a timely manner; however, there is no formalized process to ensure that this is performed. Clearing accounts should carry a zero balance at September 30, 2004.

As a result of audit procedures, it was noted that a default clearing account had a debit balance of approximately \$554,000 at September 30, 2004. This matter was brought to the attention of the Finance Department and an adjustment to write off this amount was subsequently made to correct the general ledger at September 30, 2004. To ensure that the default clearing account is properly stated, we recommend that the default clearing accounts be analyzed throughout the year and at fiscal year end so that items are being cleared in a timely manner.

City's 2004 Response

We concur with the auditor's recommendation and a procedure has been established.

Current Year Status

A procedure has been established by the Finance Department to monitor all clearing accounts. These accounts will be monitored on a frequency that is determined by the processing of transactions that update the account. For most clearing accounts this will be a daily basis. For transactions that run on a schedule the frequency will be other than daily. (e.g., payroll clearing accounts are monitored on a bi-weekly basis). Month-end and fiscal year-end reviews of clearing accounts will verify that the clearing accounts are being monitored. These procedures are also being applied to the control accounts.

Project Close-out

Project costs are monitored by the department originating the project, finance department and budget department. The finance department is responsible for monitoring the expenses of the project. The budget department sets the budget and amends the budget if change orders are presented. The department originating the project maintains the cost of each project.

Project close-out is usually initiated by the project manager when the project is complete. Once a project has been closed out, the department originating the project or the budget department completes a Financial Project Close-out Form and forwards this form to the finance department. This form allows the finance department to record the necessary entries in the general ledger to properly account for the project.

There were several projects that were completed in the prior fiscal year that were not closed out until fiscal year 2004. As a result, these projects were not properly depreciated in fiscal year 2004. Although, the depreciation expense was not material to the financial statements taken as a whole, a timely project close-out process is essential in properly accounting for these assets. All projects should be closed out when substantially completed and the Final Project Close-Out Form should be submitted to the finance department in a timely manner.

City's 2004 Response

We concur with the auditor's recommendation and users of the projects module are receiving additional training.

Current Year Status

The following are being implemented during FY 2006 to address the project close out issue:

- The Finance Department has initiated a training effort for all project managers to address the possible capitalizing of assets before a project is closed by the Budget Department (e.g. when assets are substantially completed). This training will also include the utilization of the Oracle project module to account for partially capitalized assets on projects that are still open from a budgetary standpoint.
- A standard work break down structure (WBS) which has been developed jointly between Finance, Engineering and Leisure Services is being refined by implementing the WBS on new projects. Once adopted, the standard WBS will significantly reduce the manual effort currently required to reclassify costs in order to capitalize the assets resulting from a project.
- Completion dates are being added to all projects and will be used by both Finance and Budget to close projects throughout the fiscal year. This will reduce the effort required at fiscal year end to close projects and capitalize assets.
- The Budget Department is developing a mechanism to establish sub-projects for the project warranty and close out period, which will allow the primary project to be closed and assets capitalized once they are functionally complete.

Encumbrances, Vouchers, and Accounts Payable

Oracle users responsible for department purchasing were briefly trained on how to use i-Procurement to purchase goods and services for the City. During the procurement process, the City records encumbrances against the budget recorded in the general ledger. The City encumbers funds for approved purchase requisitions, purchase orders, purchase order and receipt matched invoices, and standard invoices. Oracle is appropriately configured to record encumbrances based on City of St. Petersburg's purchasing requirements.

During our fieldwork and through discussions with City personnel, we noted the following issues related to the recording of encumbrances:

- Users were not thoroughly trained on the importance of following the i-Procurement process to purchase goods for the City. As a result, personnel responsible for purchasing are waiting for a supplier invoice before entering a purchase requisition into i-Procurement and bypassing purchasing approvals and procurement rules. Bypassing the use of i-Procurement creates weaknesses in internal control that have been already established in the software.
- Under the current practice of bypassing the use of i-Procurement for purchasing and submitting the requisition once the invoice is received, untimely approval of purchase requisitions and purchase orders increases the risk of encumbrance errors including purchases not reflected in the appropriate fiscal year. In addition, commitments and expenditures are reflected inaccurately in both operating and project budgets causing many instances of over budget activities.

In addition, invoices and purchase orders were not properly entered into the accounting system and were posted to incorrect funds. As a result, numerous additional hours were incurred investigating and booking adjustments to accounts payable to properly state vouchers payable at September 30, 2004. Thus, vouchers payable and accounts payable must be reviewed together in order to ascertain the correct liability at September 30, 2004.

We recommend personnel responsible for purchasing should not proceed with an order unless a properly approved purchase order exists. Training requirements should be defined and periodically enhanced to alert resources as to how application and business processes directly impact their job function, and subsidiary ledger processing. If training does not address this issue, an alert can also be built within Oracle to notify procurement staff and management of items containing a purchase order date that is older than the invoice date. Oracle alerts can help ensure encumbrances are processed properly while alerting personnel of any bottlenecks in the i-Procurement transactional flow.

City's 2004 Response

We concur that some users were not following procedures when using the Purchasing system. Additional i-Procurement training has been developed and is currently being conducted in hands-on classroom sessions, which will be on-going.

Current Year Status

This continues to be a problem area during fiscal year 2005. The City is working with all departments to reinforce the appropriate procedures related to the necessary sequence process of the I-Procurement system. Additionally, the departments will be given automatic purchase order processing during fiscal year 2006, based on set dollar limits.

Financial Accounting Policies and Procedures Manual

The City does not have a formalized financial accounting policies and procedures manual that has been updated to reflect changes in processes as a result of the Oracle implementation. Sound financial internal controls can only be effective when management monitors compliance with established procedures at all levels of the City and on a continuous basis. Uniform handling of like transactions is only possible when all accounting policies established by the City's management are clearly communicated in writing to employees and, for this reason, we encourage the development and distribution of a statement of accounting policies and procedures manual at the earliest possible date.

The manual should include written procedures relating to the processing, recording and reconciling of accounting transactions and account balances. It should also list a timetable for the completion of daily, weekly, monthly and quarterly financial reports. With the implementation of Oracle, as reports are being developed, expanded, and refined, this would be an ideal time to document such procedures.

Although we understand that the preparation of such documentation would be a tedious and time consuming task, we feel that it is a basic component of a strong system of internal control. Such a manual would ensure that policies and procedures are consistently applied throughout all departments of the City. It would effectively notify all personnel of their duties and improve lines of communication. This will be a valuable means of standardization and, additionally, will improve efficiency in training new employees, cross-training existing employees and serving as a resource in the event of employee terminations or unexpected absences.

City's 2004 Response

As the Oracle system was implemented, procedure manuals were developed and distributed to users through the training process. As the system continues to evolve, these manuals will be reviewed and updated periodically.

Current Year Status

The Finance Department is still relying on the Oracle system manuals at this time. We anticipate more comprehensive manuals to be developed during FY 2007.

Journal Entry Explanation and Support

Several of the manual journal entries did not have adequate explanations included on the journal voucher. Also, there was not always adequate documentation supporting the adjustment.

Each manual journal entry should stand alone, specifically; sufficient explanation of why an entry is being posted should be included on the journal voucher so that the individual who is approving the entry does not have to go to other documentation to understand why an entry is being posted. In addition, documentation supporting the entry should be attached to the journal voucher.

City's 2004 Response

We concur with the auditor's recommendations.

Current Year Status

We concur that all journal entries should include an adequate explanation and have proper supporting documentation attached. The Oracle Improvement Team is currently addressing this issue and we anticipate this will no longer be a problem will be eliminated during FY 2006.