

City of St Petersburg • Florida

Comprehensive Annual Financial Report



Fiscal Year 2006
October 1, 2005 • September 30, 2006

**COMPREHENSIVE
ANNUAL FINANCIAL REPORT**

of the

CITY OF ST. PETERSBURG, FLORIDA

for the

**Fiscal Year Ended
September 30, 2006**

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 Leslie Curran**

**DISTRICT 5 James S. Bennett, Vice Chair
DISTRICT 6 Earnest L. Williams
DISTRICT 7 Rene Flowers
DISTRICT 8 Jeff Danner**

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
Jeffrey G. Spies, CPA, CMFA**

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

TABLE OF CONTENTS

I. INTRODUCTORY SECTION (UNAUDITED)

List of Principal Officials	A - 1
Letter of Transmittal	A2 – A8
Certificate of Achievement	A - 9
City of St. Petersburg Organization Chart	A - 10

II. FINANCIAL SECTION

Independent Auditors' Report	B1 - B2
Management's Discussion and Analysis (Unaudited)	B - 3

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS:

Statement of Net Assets	C - 1
Statement of Activities	C - 2

FUND FINANCIAL STATEMENTS:

Governmental Funds:

Balance Sheet	D1 - D2
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	D - 3
Statement of Revenues, Expenditures, and Changes In Fund Balances	D - 4
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Activities to the Statement of Activities	D - 5
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund	D - 6
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual – Major Special Revenue Funds	D - 7

Proprietary Funds:

Statement of Net Assets	D8 - D9
Statement of Revenues, Expenses, and Changes in Fund Net Assets	D - 10
Statement of Cash Flows	D - 11

Fiduciary Funds:

Statement of Fiduciary Net Assets	D - 12
Statement of Changes in Fiduciary Net Assets	D - 13

REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)

Defined Benefit Pension Plans:

Schedule of Funding Progress and Schedules of Contributions for Employer and Other Contributing Entity (Unaudited)	E1 - E3
--	---------

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Non-Major Governmental Funds Descriptions	F1 - F4
Non-Major Governmental Funds:	
Combining Balance Sheet	F - 5
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	F - 6
Governmental Funds:	
Special Revenue Funds:	
Combining Balance Sheet	F7 - F8
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	F9 - F10
Debt Service Funds:	
Combining Balance Sheet	F - 11
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	F - 12
Capital Project Funds:	
Combining Balance Sheet	F - 13
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	F - 14
Permanent Funds:	
Combining Balance Sheet	F - 15
Combining Statement of Revenues, Expenditures, and Changes In Fund Balances	F - 16
Schedules of Revenues, Expenditures, and Changes in Fund Balances	
Budget and Actual:	
Special Revenue Funds	F17 - F22
Debt Service Funds	F23 - F25
Enterprise Funds:	
Non-Major Enterprise Funds Descriptions	F - 26
Combining Statement of Net Assets	F - 27
Combining Statement of Revenues, Expenses, and Changes In Fund Net Assets	F - 28
Combining Statements of Cash Flows	F - 29

Internal Service Funds:	
Internal Service Funds Descriptions	F - 30
Combining Statement of Net Assets	F - 31
Combining Statement of Revenues, Expenses, and Changes In Fund Net Assets	F - 32
Combining Statement of Cash Flows	F - 33
Agency Funds:	
Statement of Changes in Assets and Liabilities	F34 - F35
Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedule by Source	F36 - F37
Schedule by Function and Activity	F - 38
Schedule of Changes by Function and Activity	F - 39

III. STATISTICAL SECTION (UNAUDITED)

FINANCIAL TRENDS

Changes in Net Assets	G - 1
Net Assets By Components	G - 2
Fund Balances, Governmental Funds	G - 3
Changes in Fund Balances - Governmental Funds	G - 4
Financial Trends Footnotes	G - 5

REVENUE CAPACITY

Taxable Assessed Value and Estimated Actual Value of Property	G - 6
Direct and Overlapping Property Tax Rates	G - 7
Principal Property Tax Payers	G - 8
Property Tax Levies and Collections	G - 9
Revenue Capacity Statistics Footnotes	G - 10

DEBT CAPACITY

Ratio of Outstanding Debt by Type	G - 11
Ratio of General Bonded Debt Outstanding	G - 12
Direct and Overlapping Governmental Activities Debt	G - 13
Legal Debt Margin Information	G - 14
Pledged Revenue Coverage	G - 15
Debt Capacity Statistics Footnotes	G - 16

ECONOMIC AND DEMOGRAPHIC

Demographic and Economic Statistics	G - 17
Principal Employers	G - 18
Demographic and Economic Information Footnotes	G - 19

OPERATING

Government Employees by Function/Program
Operating Indicators by Function/Program
Capital Assets Statistics by Function/Program
Operating Statistics Footnotes

G – 20

G – 21

G – 22

G – 23

I. INTRODUCTORY SECTION

- List of Principal Officials
- Letter of Transmittal
- Certificate of Achievement
- 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	Leslie Curran
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	Jeff Danner

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	Jeffrey G. Spies, CPA, CMFA
Budget Director	Becky Simpson
City Auditor	Bradley H. Scott, CPA, CIA, CFE
Assistant Finance Director	Jeffrey G. Spies, CPA, CMFA
Controller	Nelson E. Dort, CPA, CGFO



February 16, 2007

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, 2006. The report fulfills the requirements set forth in the City Charter Section 4.05; Florida Statutes, Chapter 166.241; and the Rules of the Florida Auditor General, Chapter 10.550. The organization, form and contents of this report plus the accompanying financial statements and statistical tables are formulated in accordance with the principles prescribed by the Governmental Accounting Standards Board, the State of Florida, the City Charter, and the Government Finance Officers Association.

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

Florida Statutes and the City Charter require that an annual financial audit be performed by independent certified public accountants. This year the audit was performed by 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, 2006, 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, 2006, 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.

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.

GAAP requires 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.

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 254,225. The City of St. Petersburg is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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

The City of St. Petersburg provides a full range of services, including police and fire protection; the construction and maintenance of highways, streets and bridges, 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 media 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 has recently been 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 one of only two metro areas 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 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 April 2006, Pinellas County and the City of St. Petersburg had a population of 947,744 and 254,225, respectively, compared with 943,640 and 253,902 the year before based on University of Florida Bureau of Economic & Business Research (BEBR) estimates.

In October 2006, Pinellas County and the City of St Petersburg had 498,701 and 137,437, respectively, of civilians in the labor force compared to 483,865 and 133,406, 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 484,255 and 133,677 for the current year, respectively, and 467,627 and 129,087 for prior year. City unemployment stood at 3.2 percent compared to 3.7 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>Full-time City Employment</u>	<u>Governmental Revenues</u>	<u>Other Financing Sources (OFS)</u>	<u>Total Revenues/OFS</u>	<u>Governmental Expenditures</u>
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	2,891	269,136	11,667	280,686	287,395
2006	254,225	2,889	288,623	17,461	306,084	300,085

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 pay off 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 pay off 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.

On May 19, 2006, the City entered into a fifteen-year loan agreement with Sunshine State Governmental Financing Commission (SSGFC). The \$10 million loan is from variable rate commercial paper pool programs with both taxable and tax-exempt interest. Of the \$10 million borrowed, \$2.84 million from the tax-exempt pool was used towards the continued construction of the Mahaffey Theater, which now totals \$20.34 million. In addition, \$3.905 million from the tax-exempt pool was used for improvements at the City's Marina. Finally, \$1.2 million from the tax-exempt pool and \$2.055 million from the taxable pool were used to pay off an outstanding loan from the Section 108 program of the Housing and Urban Development (H.U.D.) federal agency.

On October 24, 2006, the City issued \$52.55 million of Public Utility Refunding Revenue Bonds, Series 2006. The proceeds were placed in escrow to advance refund \$50.425 million of outstanding Public Utility Revenue Bonds, Series 1999A. The true interest cost was 4.49%, with final maturity in 2028. The present value savings on the refunded bonds was 4.63% with a net present value cash savings of \$2.33 million and an annual cash flow savings of \$3.76 million.

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.

On November 10, 2005, the City Council amended the City's Investment Policy to allow for external money managers to invest up to \$14 million of land sale proceeds held in the Weeki Wachee special revenue fund. A fixed income manager and an equities manager were hired and funded in February 2006.

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-30 regarding invested balances at 9/30/06.

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 Human Resources 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 staff through the ICMA Retirement Corporation.

Risk Management

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

The Human Resources 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 1,038 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. The City engaged new actuaries in fiscal year 2007 to complete a five-year experience study on all three pension plans, as well as an Other Post Employment Benefit (OPEB) liability study. The City Council and City Administration will be reviewing the OPEB liability, as well as the accounting and funding requirements.

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 continues to be guided by five strategic areas of the "Making St. Petersburg Best" plan: supporting neighborhoods, promoting economic opportunity (with a special emphasis on Midtown), working for better schools, increasing personal safety, and improving 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, as well as a full service Post Office. 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.

During FY06, Mayor Rick Baker initiated a program similar to the Midtown emphasis in the Childs Park area. Residents are now being engaged in a planning effort to identify Childs Park and surrounding areas strengths and to define what is needed for the future growth and success of this part of St. Petersburg.

Although the downtown effort began years ago, many projects have recently come to fruition and other projects such as the new Progress Energy headquarters building, construction of additional housing units, renovation of the Mahaffey Theater and Albert Whitted Airport (leveraging private, state and federal funds) are underway and will continue this momentum. Our successful negotiation with the County for extension of the Intown CRA provides us with an additional \$97 million in tax increment projects funding for renovation of the Mahaffey Theater, major

reconstruction of the Pier facility, and other downtown improvements that will be of benefit to all of the residents of St. Petersburg, Pinellas County and surrounding areas.

The City continues to make great strides in improving educational opportunities for our students. With the help of numerous mentors, and corporate sponsors for all of our elementary schools, the number of "A" elementary schools has increased from four to thirteen and there are no "D" or "F" schools remaining. The City also continues to make progress in assuring that there is a neighborhood playground within a one-half mile walk of every child. In addition, we have provided a loan program to assist teachers in purchasing a home within the city. All of these efforts have led to national recognition as one of the "100 Best Cities for Young People" and has established St. Petersburg as a model city for leadership in improving the school system. Although these are remarkable achievements, our goal is to reach 100% "A" elementary schools and to complete all needed neighborhood playgrounds.

Municipal PASS is a derivation of the Council for Educational Change successful state PASS program, now in 54 schools statewide. PASS teams a CEO and a principal of an underperforming school to work on raising student achievement. It infuses business best practices into school improvement. Mayor Baker brought a new level of commitment and partnership by involving the City as a PASS partner at seven area schools, with four additional schools planned for next year. He tapped the corporate, philanthropic and community mentors and supporters to help fund and deliver the program which will infuse more than \$1.5 million into participating schools.

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. A number of programs have been instituted to enhance this service including police take home vehicles and the Police in Neighborhoods (PIN) home loan program. We also continue to provide our officers with all of the tools needed to assure their safety and the safety of our citizens, including laptop computers in all vehicles and a major upgrade to the CAD/RMS system, which is well along in its implementation. 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. While 2006 offered a light hurricane season compared to the past several, significant benefit was gained from a post-hurricane response exercise carried out by the City's management team.

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. Additionally, the City has entered into the adoption phase of new Land Development Regulations (LDR's) which are based in sustainable growth practices. The new regulations will simplify the development process and bring the City's regulations into line with the current built character of the City and desired urban form.

Awards and Acknowledgments

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.

On October 18, 2006 the City received the 2006 Roy F. Kenzie Award for outstanding new building project from the Florida Redevelopment Association. The St. Petersburg Tangerine Plaza Redevelopment was judged to be the top redevelopment project in the state for 2006.

The City's Purchasing and Materials Management Department has received the prestigious "Achievement of Excellence in Procurement" award from the National Purchasing Institute (NPI) in 2005 and 2006. Presented annually, the award is designed to recognize organizational excellence in public procurement. The award measures innovation, professionalism, productivity and leadership attributes of the procurement organization.

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, 2005. 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.

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, 2006. This was the seventh 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.

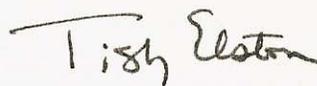
Respectfully submitted,



Jeffrey G. Spies, CPA
Finance Director



Michael Connors
Internal Services Administrator



Patricia "Tish" Elston
Deputy Mayor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of St. Petersburg
Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2005

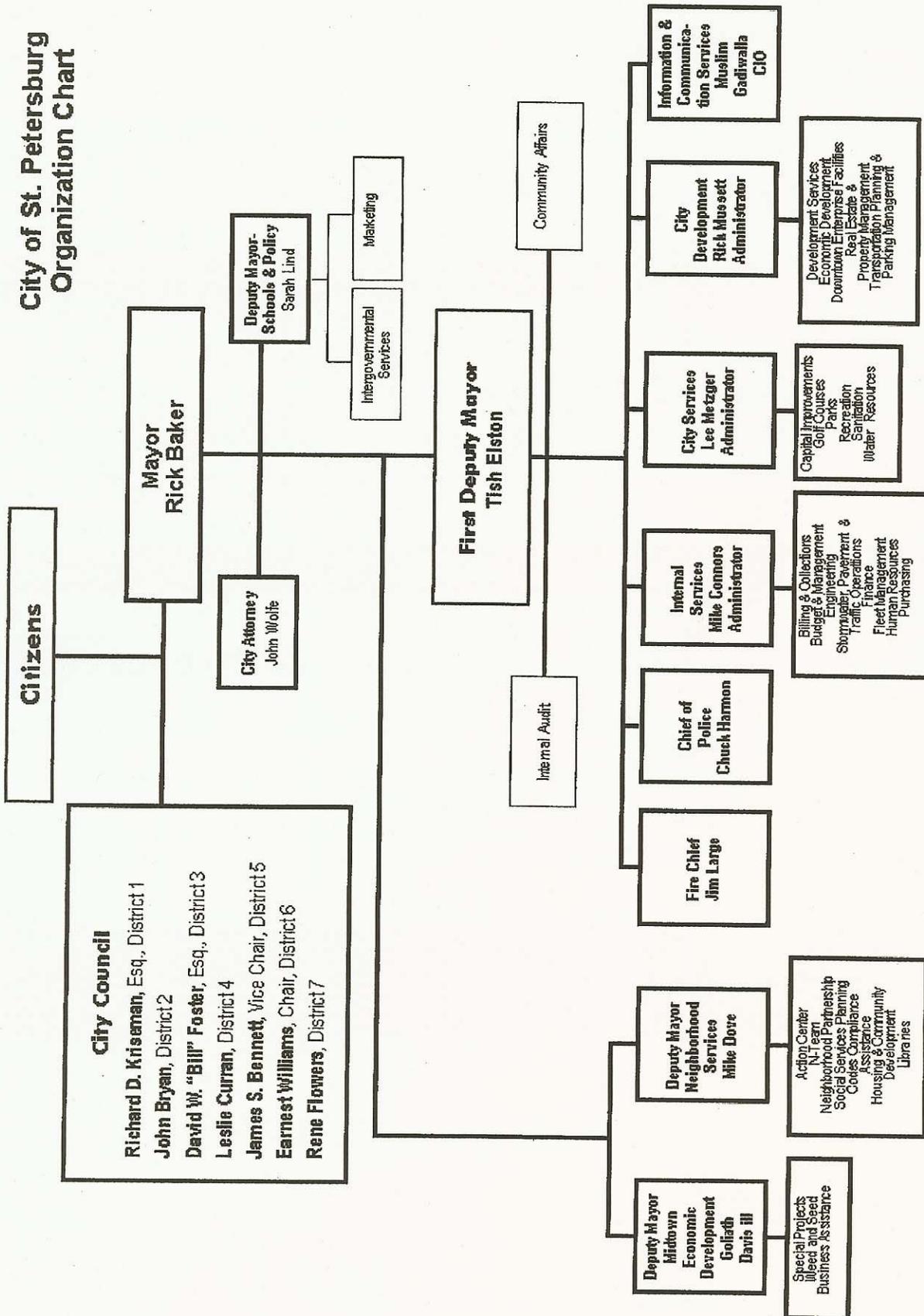
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City of St. Petersburg Organization Chart



- Independent Auditor’s 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 AUDITOR'S 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, 2006, 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, 2006, 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 February 14, 2007 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 fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules 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 section 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

February 14, 2007
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, 2006. 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 \$1.189 billion (net assets) which is an increase over the prior year of \$60 million. Of the net asset amount, \$300 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The governmental activities revenue and transfers totaled \$303.7 million, or a 4.8% increase over the prior year and expenses totaled \$261.1 million, or a .09% increase over the prior year. The results of these activities produced an increase in governmental net assets of \$42 million.
- The business-type activities revenue and transfers totaled \$166.3 million, or a 12.7% increase over the prior year and expenses totaled \$148.7 million, or a 8.5% increase over last year and transfers to governmental activities totaled \$4.9 million, net of capital assets received from governmental activities of \$5 million, or 58.0% decrease over last year. The results of these activities produced an increase in business-type net assets of \$17.6 million.
- As of the close of the fiscal year, the City of St. Petersburg's governmental activities reported combined ending net assets of \$615.2 million, an increase of \$42.6 million in comparison with the prior year. Of the \$615.2 million in net assets, \$135.2 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 thirty-nine 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 \$1.189 billion at the close of fiscal year 2006, an increase of approximately \$60 million over fiscal year 2005.

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

	Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	2006	2005	2006	2005	2006	2005
Current and Other Assets	\$ 263,692	\$ 255,766	\$ 234,233	\$ 197,765	\$ 497,925	\$ 453,531
Capital Assets	<u>601,282</u>	<u>582,923</u>	<u>568,334</u>	<u>530,235</u>	<u>1,169,616</u>	<u>1,113,158</u>
Total Assets	<u>864,974</u>	<u>838,689</u>	<u>802,567</u>	<u>728,000</u>	<u>1,667,541</u>	<u>1,566,689</u>
Long-term Liabilities	201,427	212,586	205,946	154,915	407,373	367,501
Other Liabilities	<u>48,392</u>	<u>53,534</u>	<u>23,281</u>	<u>16,600</u>	<u>71,673</u>	<u>70,134</u>
Total Liabilities	<u>249,819</u>	<u>266,120</u>	<u>229,227</u>	<u>171,515</u>	<u>479,046</u>	<u>437,635</u>
Invested in Capital Assets, Net of Related Debt	412,823	389,111	410,673	374,879	823,496	763,990
Restricted	67,085	58,418	1,145	6,514	68,230	64,932
Unrestricted	<u>135,247</u>	<u>125,040</u>	<u>161,522</u>	<u>175,092</u>	<u>296,769</u>	<u>300,132</u>
Total Net Assets	<u>\$ 615,155</u>	<u>\$ 572,569</u>	<u>\$ 573,340</u>	<u>\$ 556,485</u>	<u>\$ 1,188,495</u>	<u>\$ 1,129,054</u>

As depicted above, the largest portion of the City's net assets, 69%, 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.

Also, 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 25.3% of net assets are unrestricted net assets and may be used to meet the City's ongoing obligations to citizens and creditors.

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

Governmental activities increase in net assets from prior year rose by \$13.4 million due mainly to increased revenues of \$10.4 million in property taxes, \$2 million in utility tax, and \$1.08 million in sales taxes. These increases resulted from citywide property redevelopment and increased assessed property values, electrical utility rate increases, and an increase of taxable consumer sales.

Business-type activities increase in net assets improved by \$18.77 million from the prior year in the following business-type activities: \$4.69 million improvement in Water and Wastewater, \$4.59 million improvement in Stormwater, \$4.80 million improvement in Sanitation, and \$4.69 million improvement in other non-major funds. User rates were increased in Water and Wastewater, and Sanitation activities at the beginning of the fiscal year providing additional revenue in excess of increased expenditures. There was increased funding to Stormwater from Governmental activities sales tax revenue for infrastructure improvements.

Transfers from the General Fund provided the increased net assets to the nonmajor funds.

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

	Changes In Net Assets					
	Governmental Activities		Business-Type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Program Revenues:						
Charges for Services	\$ 55,870	\$ 54,084	\$146,078	\$ 135,806	\$ 201,948	\$ 189,890
Operating Grants and Contributions	11,115	12,756	275	2,803	11,390	15,559
Capital Grants and Contributions	2,467	1,768	9,393	2,636	11,860	4,404
General Revenues:						
Property Taxes	92,137	81,667	0	0	92,137	81,667
Other Taxes	121,104	114,513	0	0	121,104	114,513
Other	<u>16,138</u>	<u>13,577</u>	<u>14,655</u>	<u>6,317</u>	<u>30,793</u>	<u>19,894</u>
Total Revenues	<u>298,831</u>	<u>278,365</u>	<u>170,401</u>	<u>147,562</u>	<u>469,232</u>	<u>425,927</u>
Program Expenses:						
General Government	38,890	35,376	0	0	38,890	35,376
Community and Economic Development	23,119	23,753	0	0	23,119	23,753
Public Works	16,737	15,319	0	0	16,737	15,319
Public Safety – Police	76,625	79,184	0	0	76,625	79,184
Public Safety – Fire and EMS	40,308	41,362	0	0	40,308	41,362
Recreation and Culture	56,989	55,947	0	0	56,989	55,947
Interest on Long-term Debt	8,460	9,935	0	0	8,460	9,935
Water and Wastewater	0	0	92,373	83,236	92,373	83,236
Stormwater	0	0	10,558	9,362	10,558	9,362
Sanitation	0	0	37,012	36,396	37,012	36,396
Airport	0	0	1,179	1,054	1,179	1,054
Port	0	0	935	1,193	935	1,193
Marina	0	0	2,090	1,629	2,090	1,629
Golf Courses	0	0	4,025	3,709	4,025	3,709
Jamestown Complex	<u>0</u>	<u>0</u>	<u>491</u>	<u>497</u>	<u>491</u>	<u>497</u>
Total Expenses	<u>261,128</u>	<u>260,876</u>	<u>148,663</u>	<u>137,076</u>	<u>409,791</u>	<u>397,952</u>
Change in Net Assets Before Transfers	37,703	17,489	21,738	10,486	59,441	27,975
Transfers	<u>4,883</u>	<u>11,621</u>	<u>(4,883)</u>	<u>(11,621)</u>	<u>0</u>	<u>0</u>
Increase (decrease) in Net Assets	<u>\$ 42,586</u>	<u>\$ 29,110</u>	<u>\$ 16,855</u>	<u>\$ (1,135)</u>	<u>\$ 59,441</u>	<u>\$ 27,975</u>
Ending Net Assets	<u>\$ 615,155</u>	<u>\$572,569</u>	<u>\$573,340</u>	<u>\$ 556,485</u>	<u>\$ 1,188,495</u>	<u>\$1,129,054</u>

FINANCIAL ANALYSIS OF CITY FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, 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 2006, the City's governmental funds reported combined ending fund balances of \$165.7 million, an increase of \$6.0 million in comparison with the prior year. Governmental funds reserved \$6.5 million for commitments made in fiscal year 2006 that will not be incurred and paid for until fiscal year 2007. In addition to other items as noted on page D-2, \$ 14.0 million was reserved for debt service.

The General Fund, the chief operating fund of the City, had a fund balance at September 30, 2006, of \$35.0 million, of which \$505,596 was reserved for obligations which will be paid in fiscal year 2007 and \$267,510 was reserved for inventory, prepaid costs and deposits. The remainder of the fund balance or \$34.2 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 17.7% of the total General Fund expenditures and the total fund balance represents 18.1%.

The General Fund excess of revenues and other sources over expenditures and other uses was \$3.7 million greater than 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 \$10.6 million primarily attributable to growth in assessed value of taxable real estate.
- Disposition of property increased by \$.2 million due to sale of downtown redevelopment property.
- Transfers into the General Fund increased by \$2.13 million in part due to increase in Utility Tax and Local Option Tax increases and transfers out of the General Fund increased by \$5.8 million for a net transfer decrease of \$3.6 million due mainly to increased transfers into the general capital improvements fund.
- Operating expenditures increased by \$7.45 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>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues and Other Sources	\$ 36,772	\$ 34,809	\$ 27,273	\$ 26,610	\$ 22,619	\$ 22,230	\$ 26,562	\$ 27,941	\$ 5,354	\$ 5,145
Expenses and Other Uses	<u>35,263</u>	<u>34,338</u>	<u>26,701</u>	<u>25,620</u>	<u>21,852</u>	<u>21,874</u>	<u>24,531</u>	<u>33,165</u>	<u>5,699</u>	<u>5,108</u>
Increase (decrease) in Net Assets	<u>\$ 1,509</u>	<u>\$ 471</u>	<u>\$ 572</u>	<u>\$ 990</u>	<u>\$ 767</u>	<u>\$ 356</u>	<u>\$ 2,031</u>	<u>\$ (5,224)</u>	<u>\$ (345)</u>	<u>\$ 37</u>

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

The increase in the net assets of the Local Option Sales Surtax Improvements is due to a decrease in capital expenditures of \$9 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>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenues and Other Sources	\$ 107,694	\$ 93,649	\$ 19,713	\$ 13,902	\$ 38,125	\$ 32,419
Expenditures and Other Uses	<u>101,045</u>	<u>90,921</u>	<u>11,912</u>	<u>10,689</u>	<u>39,695</u>	<u>38,794</u>
Increase (decrease) in Net Assets	<u>\$ 6,649</u>	<u>\$ 2,728</u>	<u>\$ 7,801</u>	<u>\$ 3,213</u>	<u>\$ (1,570)</u>	<u>\$ (6,375)</u>

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

GENERAL FUND BUDGETARY HIGHLIGHTS

The original budgeted expenditures and uses exceeded the budgeted revenues and other sources by \$2.3 million. The final approved budget reflected an increase in the expenditure of \$3.535 million due mainly to additional appropriations for grants received totaling \$3 million, \$.324 million in increases in wages and pension costs for police, and \$.211 million in wages costs for other city departments. These increases in expenditures were offset by increases in revenues. This resulted in revenues and other sources exceeded expenditures and other uses by \$2.7 million. Additional budget to actual information on the City's general fund is on page D-6.

CAPITAL ASSETS

The City has invested \$1.169 billion in capital assets (net of depreciation). Approximately 51% 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>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Land	\$ 139,043	\$ 138,577	\$ 12,318	\$ 12,319	\$ 151,361	\$ 150,896
Buildings & Systems	229,131	210,077	11,121	9,656	240,252	219,733
Improvements & Infrastructure	153,280	125,428	28,089	19,689	181,369	145,117
Machinery & Equipment	46,140	40,242	11,004	9,039	57,144	49,281
Utility Systems	0	0	483,851	430,113	483,851	430,113
Construction in Progress	<u>33,688</u>	<u>68,599</u>	<u>21,951</u>	<u>49,419</u>	<u>55,639</u>	<u>118,018</u>
Totals	<u>\$ 601,282</u>	<u>\$ 582,923</u>	<u>\$ 568,334</u>	<u>\$ 530,235</u>	<u>\$ 1,169,616</u>	<u>\$ 1,113,158</u>

Additional information on the City's capital assets can be found in Note 8 beginning on page D-33.

LONG-TERM OBLIGATIONS

For fiscal year ended September 30, 2006, the City had total debt outstanding of \$401.9 million (net of unamortized premium, discount and deferral loss on refundings). Of this amount, \$56.8 million of note debt, \$6.7 million of bond debt and \$150 thousand of capitalized lease obligations is backed by a covenant pledge to budget and appropriate from non-ad valorem revenue sources. The remaining \$338.3 million in bonded and note debt is secured solely by specified revenue sources.

	Governmental Activities		Business-Type Activities		Total	
	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
Revenue Bonds	\$ 137,577	\$ 150,679	\$ 170,105	\$ 132,417	\$ 307,682	\$ 283,096
Revenue Notes	0	0	30,605	21,820	30,605	21,820
Covenant Bonds	4,380	4,625	2,300	2,865	6,680	7,490
Covenant Notes	49,570	50,575	7,255	0	56,825	50,575
Capitalized Lease	<u>0</u>	<u>0</u>	<u>150</u>	<u>0</u>	<u>150</u>	<u>0</u>
Total	<u>\$ 191,527</u>	<u>\$ 205,879</u>	<u>\$ 210,415</u>	<u>\$ 157,102</u>	<u>\$ 401,942</u>	<u>\$ 362,981</u>

The City of St. Petersburg's total debt increased by \$39 million (10.7%) during the current fiscal year due mainly to \$23.5 million in annual principal payments, an increase of \$7.6 million in new notes in governmental activities, \$7.1 million in new notes in the business-type activities, an increase of \$50 million in business-type activities bonds, a decrease of \$4 million in Hud Section 108 Loans, an increase of \$1.3 million in capital appreciation bonds, and increases in net unamortized premiums, discounts, and deferred accounts for bonds and notes of \$.4 million.

During the fiscal year ended September 30, 2006, the City closed on two loans from the Sunshine State Governmental Financing Commission and one Public Utility Bond issue.

- On December 15, 2005, the City borrowed \$1,500,000 from the Sunshine State Governmental Financing Commission (SSGFC) using the same loan agreement the City approved on May 10, 2005 to borrow the original \$16 million. The loan proceeds are being used to renovate the downtown Mahaffey Theater Performing Arts Facility. The loan is part 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.
- 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.
- On May 19, 2006, the City borrowed \$10 million from the Sunshine State Governmental Financing Commission (SSGFC). The loan included \$2,055,000 taxable loan and \$1,200,000 tax-exempt loan for the repayment of a Section 108 program loan from the department of Housing and Urban Development (HUD). There was an additional \$2,840,000 for the Mahaffey Theater Performing Arts Facility and \$3,905,000 for improvements to the City's Marina. The loan interest is due monthly, with final maturity in 2021, except for the \$2,840,000 Mahaffey Project loan which is interest only until 2013 at which time the city intends to refinance using fixed rate tax exempt bond issue.

The City maintains a rating of A2 on all governmental debt from Moody's and currently has an AA3 and AA- 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 Note 12 - Long-Term Obligations on pages D-38 through D-46.

NEXT YEARS BUDGET AND RATES

The adopted fiscal year 2007 budget was based on a millage rate of 6.60 mills, a reduction of .35 mills from fiscal year 2006. 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) 892-5113. This report will be available on the City's web site at www.stpete.org.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF NET ASSETS
SEPTEMBER 30, 2006

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL	COMPONENT UNIT
ASSETS				
Cash and Cash Equivalents	\$ 78,702,284	\$ 11,122,077	\$ 89,824,361	\$ 19,886
Investments	125,750,966	116,608,996	242,359,962	0
Trustee Accounts				
Cash and Cash Equivalents	1,080,434	0	1,080,434	0
Investments	14,696,634	0	14,696,634	0
Receivables - Net of Allowance for Uncollectibles	19,123,989	15,711,001	34,834,990	0
Internal Balances	2,108,697	(2,108,697)	0	0
Due from Other Governmental Agencies	11,056,117	8,126,403	19,182,520	0
Inventories	1,452,020	1,061,165	2,513,185	0
Prepays and Deposits	3,830,711	4,414	3,835,125	0
Contract Receivable from Other Governmental Agency	0	21,508,306	21,508,306	0
Other Assets	1,412,393	4,736,104	6,148,497	0
Restricted Assets				
Temporarily Restricted				
Cash and Cash Equivalents	4,477,367	57,244,859	61,722,226	0
Permanently Restricted				
Investments - Trustee Account	0	218,351	218,351	0
Capital Assets, Not Depreciable				
Land	139,042,588	12,318,292	151,360,880	0
Construction in progress	33,687,522	21,950,501	55,638,023	0
Capital Assets, Depreciable, Net				
Buildings and systems	229,131,935	11,120,827	240,252,762	0
Improvements other than buildings	153,280,189	28,089,143	181,369,332	0
Machinery and equipment	46,140,098	11,004,277	57,144,375	0
Utility Systems	0	483,850,823	483,850,823	0
TOTAL ASSETS	<u>864,973,944</u>	<u>802,566,842</u>	<u>1,667,540,786</u>	<u>19,886</u>
LIABILITIES				
Accounts Payable and Other Current Liabilities	13,816,552	10,700,663	24,517,215	0
Accrued Interest Payable	2,650,697	0	2,650,697	0
Due to Other Governmental Agencies	880,786	96,378	977,164	0
Unearned Revenue	2,149,782	0	2,149,782	0
Deposits	7,612,852	664,726	8,277,578	0
Liabilities Payable from Restricted Assets				
Revenue Bonds Payable Due within One Year	10,820,000	2,330,000	13,150,000	0
Accrued Interest	0	4,273,525	4,273,525	0
Noncurrent Liabilities				
Due within One Year	10,461,316	5,215,635	15,676,951	0
Due more than One Year	201,427,093	205,945,927	407,373,020	0
TOTAL LIABILITIES	<u>249,819,078</u>	<u>229,226,854</u>	<u>479,045,932</u>	<u>0</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	412,822,949	410,673,072	823,496,021	0
Restricted for:				
Expendable				
Public Works - Transportation Projects	18,295,772	0	18,295,772	0
Police Programs	254,891	0	254,891	0
Grant Funded Programs	7,770,359	0	7,770,359	0
Debt Service	4,717,262	1,089,323	5,806,585	0
Capital Projects	2,656,407	55,629	2,712,036	0
Local Option Sales Surtax	32,928,113	0	32,928,113	0
Nonexpendable				
Culture and Recreation	462,113	0	462,113	0
Unrestricted	135,247,000	161,521,964	296,768,964	19,886
TOTAL NET ASSETS	<u>\$ 615,154,866</u>	<u>\$ 573,339,988</u>	<u>\$ 1,188,494,854</u>	<u>\$ 19,886</u>

The accompanying notes are an integral part of these statements.

**CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

Function/Programs Activities	EXPENSES	PROGRAM REVENUES	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS
Governmental Activities:			
General Government	\$ 38,890,280	\$ 16,757,687	\$ 591,753
Community and Economic Development	23,118,591	8,254,079	7,281,839
Public Safety			
Police	76,624,860	3,532,681	606,645
Fire and EMS	40,308,068	11,696,836	241,533
Public Works	16,736,533	4,988,787	47,935
Recreation and Culture	56,989,140	10,640,191	2,345,795
Interest on Long-Term Debt	8,460,750	0	0
Total Governmental Activities	<u>261,128,222</u>	<u>55,870,261</u>	<u>11,115,500</u>
Business-type Activities:			
Water and Waste Water Utility	92,372,926	91,037,459	109,151
Stormwater Utility	10,557,972	10,701,022	0
Sanitation	37,011,688	36,838,448	0
Airport	1,179,348	746,510	0
Port	935,396	329,801	0
Marina	2,089,725	2,069,414	0
Golf Course	4,024,632	3,870,667	165,960
Jamestown Complex	491,610	484,256	0
Total Business-type Activities	<u>148,663,297</u>	<u>146,077,577</u>	<u>275,111</u>
Total Primary Government	<u>\$ 409,791,519</u>	<u>\$ 201,947,838</u>	<u>\$ 11,390,611</u>
Component Unit			
St. Petersburg Health Facilities Authority	<u>\$ 175</u>	<u>\$ 1,000</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 (unrestricted)
Tourist Development Tax
Occupational Tax
Gasoline Tax
Tax Increment
Miscellaneous Taxes
Earnings on unrestricted investments
Gain 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.

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

CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
\$ 0	\$ (21,540,840)	\$ 0	\$ (21,540,840)	\$ 0
504,516	(7,078,157)	0	(7,078,157)	0
0	(72,485,534)	0	(72,485,534)	0
0	(28,369,699)	0	(28,369,699)	0
1,690,484	(10,009,327)	0	(10,009,327)	0
271,886	(43,731,268)	0	(43,731,268)	0
0	(8,460,750)	0	(8,460,750)	0
<u>2,466,886</u>	<u>(191,675,575)</u>	<u>0</u>	<u>(191,675,575)</u>	<u>0</u>
4,084,842	0	2,858,526	2,858,526	0
3,384,324	0	3,527,374	3,527,374	0
136,135	0	(37,105)	(37,105)	0
1,630,921	0	1,198,083	1,198,083	0
157,239	0	(448,356)	(448,356)	0
0	0	(20,311)	(20,311)	0
0	0	11,995	11,995	0
0	0	(7,354)	(7,354)	0
<u>9,393,461</u>	<u>0</u>	<u>7,082,852</u>	<u>7,082,852</u>	<u>0</u>
<u>\$ 11,860,347</u>	<u>(191,675,575)</u>	<u>7,082,852</u>	<u>(184,592,723)</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>825</u>
	92,136,696	0	92,136,696	0
	36,770,897	0	36,770,897	0
	24,902,796	0	24,902,796	0
	16,822,847	0	16,822,847	0
	19,159,164	0	19,159,164	0
	9,318,220	0	9,318,220	0
	4,641,156	0	4,641,156	0
	2,987,101	0	2,987,101	0
	2,568,901	0	2,568,901	0
	3,539,967	0	3,539,967	0
	392,397	0	392,397	0
	13,271,909	13,663,598	26,935,507	0
	73,257	315,042	388,299	0
	2,792,709	676,980	3,469,689	0
	4,883,063	(4,883,063)	0	0
	<u>234,261,080</u>	<u>9,772,557</u>	<u>244,033,637</u>	<u>0</u>
	42,585,505	16,855,409	59,440,914	825
	572,569,361	556,484,579	1,129,053,940	19,061
	<u>\$ 615,154,866</u>	<u>\$ 573,339,988</u>	<u>\$ 1,188,494,854</u>	<u>\$ 19,886</u>

FUND FINANCIAL STATEMENTS

**CITY OF ST. PETERSBURG, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2006**

	<u>GENERAL</u>	<u>UTILITY TAX</u>	<u>LOCAL OPTION TAX</u>
ASSETS			
Cash and Cash Equivalents	\$ 3,367,301	\$ 1,231,623	\$ 2,752,886
Investments	34,786,122	0	0
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Investments	0	0	0
Receivables			
Accounts	1,279,702	196,787	0
Taxes	0	4,581,051	0
Accrued Interest	411,968	0	0
Notes	3,081,656	0	0
Assessments	0	0	0
Due from Other Funds	775,000	0	0
Due for Other Governmental Agencies			
Grants and Cost Reimbursement	1,519,430	0	0
State of Florida - Shared Revenue	0	0	0
Pinellas County - Shared Revenue	0	0	4,227,717
Pinellas County - Services	39,675	0	0
Pinellas County - Fines	86,388	0	0
Inventory	252,799	0	0
Prepaid Costs and Deposits	14,712	0	0
Restricted Assets			
Cash and Cash Equivalents	0	0	0
Other Assets	0	0	0
TOTAL ASSETS	<u>\$ 45,614,753</u>	<u>\$ 6,009,461</u>	<u>\$ 6,980,603</u>

The accompanying notes are an integral part of these statements.

<u>EXCISE TAX</u>	<u>LOCAL OPTION SALES SURTAX IMPROVEMENT</u>	<u>GRANTS</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
\$ 1,431,598	\$ 9,483,247	\$ 304,492	\$ 35,795,759	\$ 54,366,906
0	26,066,558	0	23,305,903	84,158,583
0	0	0	1,080,434	1,080,434
0	0	0	14,696,634	14,696,634
0	0	12,293	674,201	2,162,983
0	0	0	1,928,045	6,509,096
0	304,367	0	367,454	1,083,789
0	0	3,243,689	933,752	7,259,097
0	0	0	391,450	391,450
0	0	0	0	775,000
0	310,314	745,946	1,229,412	3,805,102
2,892,298	0	0	0	2,892,298
0	0	0	0	4,227,717
0	0	0	0	39,675
0	0	0	4,937	91,325
0	0	0	63,710	316,509
0	0	0	155,439	170,151
0	0	0	4,477,367	4,477,367
0	0	0	593	593
<u>\$ 4,323,896</u>	<u>\$ 36,164,486</u>	<u>\$ 4,306,420</u>	<u>\$ 85,105,090</u>	<u>\$ 188,504,709</u>

CITY OF ST. PETERSBURG, FLORIDA
BALANCE SHEET (Continued)
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2006

	<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	\$ 1,758,675	\$ 0	\$ 0	\$ 0
Accrued Salaries	3,120,214	0	0	0
Other Accrued Liabilities	0	0	0	0
Retainage on Contracts	7,653	0	0	0
Due to Other Governmental Agencies	54,499	0	0	0
Due to Other Funds	0	0	0	0
Deposits				
Escrow	0	0	0	0
Other	716,707	0	0	0
Deferred revenues				
Notes Receivable	3,081,656	0	0	0
Assessments Receivable	0	0	0	0
Other	1,897,114	0	0	0
TOTAL LIABILITIES	<u>10,636,518</u>	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCES				
Reserved for:				
Encumbrances	505,596	0	0	0
Inventories	252,799	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	14,712	0	0	0
Unreserved:				
General Fund				
Designated for Vested Accrued Leave	6,000,000	0	0	0
Designated for Preservation Projects	895,905	0	0	0
Designated for Subsequent Year Appropriations	3,000,000	0	0	0
Designated for Economic Stability	12,484,795	0	0	0
Designated for Industrial Development	415,676	0	0	0
Designated for Land Acquisition	75,000	0	0	0
Designated for Park Maintenance	214,203	0	0	0
Undesignated	11,119,549	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 Capital Assets	0	0	0	0
Undesignated	0	6,009,461	6,980,603	4,323,896
Capital Project				
Designated for Capital Improvements	0	0	0	0
Undesignated	0	0	0	0
TOTAL FUND BALANCES	<u>34,978,235</u>	<u>6,009,461</u>	<u>6,980,603</u>	<u>4,323,896</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 45,614,753</u>	<u>\$ 6,009,461</u>	<u>\$ 6,980,603</u>	<u>\$ 4,323,896</u>

The accompanying notes are an integral part of these statements.

LOCAL OPTION SALES SURTAX IMPROVEMENT	GRANTS	NONMAJOR GOVERNMENTAL	TOTAL GOVERNMENTAL FUNDS
\$ 2,417,011	\$ 293,781	\$ 1,444,420	\$ 5,913,887
0	0	241,984	3,362,198
0	0	167,169	167,169
819,362	0	388,871	1,215,886
0	1,211	115,665	171,375
0	480,000	295,000	775,000
0	55,186	6,268	61,454
0	8,470	608,584	1,333,761
0	3,243,689	933,752	7,259,097
0	0	391,449	391,449
0	0	246,223	2,143,337
<u>3,236,373</u>	<u>4,082,337</u>	<u>4,839,385</u>	<u>22,794,613</u>
2,985,299	179,588	2,795,809	6,466,292
0	0	63,710	316,509
0	0	14,015,143	14,015,143
0	0	44,163	44,163
0	0	305,216	305,216
0	0	127,208	127,208
0	0	29,689	29,689
0	0	155,439	170,151
0	0	0	6,000,000
0	0	0	895,905
0	0	0	3,000,000
0	0	0	12,484,795
0	0	0	415,676
0	0	0	75,000
0	0	0	214,203
0	0	0	11,119,549
0	0	167,300	167,300
0	0	164,728	164,728
0	0	14,481,942	14,481,942
0	44,495	2,046,509	2,091,004
0	0	1,689,078	1,689,078
0	0	15,217,408	32,531,368
25,417,059	0	24,990,532	50,407,591
4,525,755	0	3,971,831	8,497,586
<u>32,928,113</u>	<u>224,083</u>	<u>80,265,705</u>	<u>165,710,096</u>
<u>\$ 36,164,486</u>	<u>\$ 4,306,420</u>	<u>\$ 85,105,090</u>	<u>\$ 188,504,709</u>

**CITY OF ST. PETERSBURG, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET ASSETS
SEPTEMBER 30, 2006**

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

Fund balances - total governmental funds	\$	165,710,096
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.		571,601,200
Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Notes receivable		7,120,698
Assessments		391,449
Unbilled accrued interest on assessments		437,984
Unamortized bond issue costs		1,411,800
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable		(140,679,646)
Unamortized bond discount, issue expense, premium and refund loss		(1,277,159)
Notes payable		(49,568,145)
Compensated absences		(11,380,674)
Accrued interest payable on notes and bonds		(2,650,697)
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		71,929,263
Consolidation adjustment to enterprise funds		<u>2,108,697</u>
Net assets of governmental activities.	\$	<u><u>615,154,866</u></u>

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL	UTILITY TAX	LOCAL OPTION TAX	EXCISE TAX
REVENUES				
Taxes	\$ 95,842,793	\$ 36,770,897	\$ 0	\$ 0
Licenses and Permits	6,073,723	0	0	0
Fines and Forfeitures	2,194,429	0	0	0
Charges for Services and User Fees	11,424,037	0	0	0
Charges for General Administration	6,941,316	0	0	0
Intergovernmental Revenue				
Federal, State and Other Grants	2,631,468	0	0	0
State - Sales Tax	0	0	0	14,822,843
State - Revenue Sharing	0	0	0	3,125,820
State - Housing Improvement Program	0	0	0	0
State - Other	6,698,657	0	0	0
Pinellas County - Gasoline Tax	0	0	2,367,937	0
Pinellas County - Sales Tax	0	0	24,902,796	0
Pinellas County - Tourist Development	0	0	0	4,641,156
Pinellas County - Tax Increment	0	0	0	0
Pinellas County - Pedestrian Improvement Program	0	0	0	0
Total	9,330,125	0	27,270,733	22,589,819
Use of Money and Property				
Earnings on Investments	2,836,460	350	1,905	28,742
Other Interest Revenue	27,470	0	0	0
Securities Lending	1,052,056	0	0	0
Interest on Assessments	18,477	0	0	0
Rentals	427,931	0	0	0
Total	4,362,394	350	1,905	28,742
Miscellaneous				
Contributions	152,172	0	0	0
Assessments	12,350	0	0	0
Dispositions of Property	2,586,015	1,380	0	0
Other	846,327	0	0	0
Total	3,596,864	1,380	0	0
TOTAL REVENUES	139,765,681	36,772,627	27,272,638	22,618,561
EXPENDITURES				
Current Operations				
General Government	25,835,310	0	0	0
Community and Economic Development	15,061,221	0	0	0
Public Works	5,706,023	0	0	0
Public Safety				
Police	75,910,687	0	0	0
Fire and EMS	30,621,756	0	0	0
Recreation and Culture	36,965,066	0	0	0
Securities Lending				
Interest	1,022,496	0	0	0
Agent Fees	11,824	0	0	0
Debt Service				
Principal Payments	0	0	0	0
Interest Payments	0	0	0	0
Remarketing and Other Fees	5,783	0	0	0
Bond Costs	0	0	0	0
Capital Outlay	2,040,284	0	0	0
TOTAL EXPENDITURES	193,180,450	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(53,414,769)	36,772,627	27,272,638	22,618,561
OTHER FINANCING SOURCES (USES)				
Transfers In	77,599,594	0	0	0
Transfers Out	(21,084,905)	(35,263,250)	(26,700,951)	(21,851,673)
Issuance of Debt	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	56,514,689	(35,263,250)	(26,700,951)	(21,851,673)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	3,099,920	1,509,377	571,687	766,888
FUND BALANCES - OCTOBER 1	31,878,315	4,500,084	6,408,916	3,557,008
FUND BALANCE - SEPTEMBER 30	\$ 34,978,235	\$ 6,009,461	\$ 6,980,603	\$ 4,323,896

The accompanying notes are an integral part of these statements.

LOCAL OPTION SALES SURTAX IMPROVEMENT	GRANTS	NONMAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
\$ 0	\$ 0	\$ 18,440,168	\$ 151,053,858
0	0	0	6,073,723
0	157	1,408,029	3,602,615
0	0	15,154,165	26,578,202
0	0	0	6,941,316
363,282	3,818,786	2,085,127	8,898,663
0	0	2,000,004	16,822,847
0	0	0	3,125,820
0	0	2,346,040	2,346,040
0	0	16,945	6,715,602
0	0	0	2,367,937
0	0	0	24,902,796
0	0	0	4,641,156
0	0	3,539,967	3,539,967
		70,158	70,158
<u>363,282</u>	<u>3,818,786</u>	<u>10,058,241</u>	<u>73,430,986</u>
1,250,675	84,013	2,697,749	6,899,894
0	0	0	27,470
815,841	0	743,592	2,611,489
0	0	0	18,477
0	4,650	2,271,901	2,704,482
<u>2,066,516</u>	<u>88,663</u>	<u>5,713,242</u>	<u>12,261,812</u>
0	0	975,518	1,127,690
0	0	755,312	767,662
0	0	11,513	2,598,908
470	1,446,386	1,893,923	4,187,106
<u>470</u>	<u>1,446,386</u>	<u>3,636,266</u>	<u>8,681,366</u>
<u>2,430,268</u>	<u>5,353,992</u>	<u>54,410,111</u>	<u>288,623,878</u>
0	0	500	25,835,810
0	3,103,304	3,034,055	21,198,580
47,715	0	3,839,319	9,593,057
0	0	370,066	76,280,753
16,514	0	9,491,805	40,130,075
0	0	8,944,672	45,909,738
792,335	0	721,385	2,536,216
9,402	0	8,883	30,109
500,000	1,000,000	21,145,000	22,645,000
15,000	151,354	7,958,192	8,124,546
0	0	58,341	64,124
0	0	54,124	54,124
<u>21,989,762</u>	<u>1,141,419</u>	<u>22,512,156</u>	<u>47,683,621</u>
<u>23,370,728</u>	<u>5,396,077</u>	<u>78,138,498</u>	<u>300,085,753</u>
<u>(20,940,460)</u>	<u>(42,085)</u>	<u>(23,728,387)</u>	<u>(11,461,875)</u>
24,131,248	0	50,550,500	152,281,342
(1,160,000)	(303,000)	(36,048,881)	(142,412,660)
0	0	7,593,145	7,593,145
<u>22,971,248</u>	<u>(303,000)</u>	<u>22,094,764</u>	<u>17,461,827</u>
2,030,788	(345,085)	(1,633,623)	5,999,952
<u>30,897,325</u>	<u>569,168</u>	<u>81,899,328</u>	<u>159,710,144</u>
<u>\$ 32,928,113</u>	<u>\$ 224,083</u>	<u>\$ 80,265,705</u>	<u>\$ 165,710,096</u>

CITY OF ST. PETERSBURG, FLORIDA
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, 2006

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

Net change in fund balances - total governmental funds	\$	5,999,952
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Assets.		47,683,621
Depreciation expenses on governmental capital assets included in the governmental activities in the Statement of Net Assets.		(21,230,528)
The issuance of long-term debt provides current financial resources to governmental funds, however, has no effect on net assets.		
Long-term debt proceeds		(7,593,145)
Bond issue costs		54,124
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.		22,645,000
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.		6,459,765
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		(1,767,637)
Assessments receivable principal		(153,770)
Unbilled accrued interest on assessments		(147,888)
New notes receivable from economic development activity		686,400
Notes receivable principal forgiven		(72,588)
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		(6,926,661)
Net cost of capital asset dispositions		(3,736,141)
Capital asset contributions from other governments		1,209,992
Compensated absences		(252,726)
Accrued interest expense on long-term debt		(818,693)
Amortization of debt issue expense, discounts, premiums, refunding loss		546,428
Changes in net assets of governmental activities	\$	<u><u>42,585,505</u></u>

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	ORIGINAL BUDGET	FINAL APPROVED BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
REVENUE				
Taxes	\$ 95,183	\$ 95,563	\$ 95,843	\$ 280
Licenses and Permits	4,371	5,571	6,074	503
Fines and Forfeitures	2,094	2,394	2,194	(200)
Charges For Services, User Fees, and Sales	10,899	11,949	11,424	(525)
Charges to Other Funds	6,940	6,940	6,941	1
Intergovernmental Revenues	6,375	10,288	9,330	(958)
Use of Money and Property	1,638	3,156	3,434	278
Miscellaneous	829	3,024	3,597	573
TOTAL REVENUES	<u>128,329</u>	<u>138,885</u>	<u>138,837</u>	<u>(48)</u>
EXPENDITURES				
Current Operations				
General Government	26,686	26,298	26,114	184
Community and Economic Development	14,730	15,455	15,092	363
Public Works	5,523	5,523	5,826	(303)
Police	76,203	76,584	76,627	(43)
Fire and EMS	31,709	31,709	30,755	954
Recreation and Culture	35,490	38,327	38,237	90
TOTAL EXPENDITURES	<u>190,341</u>	<u>193,896</u>	<u>192,651</u>	<u>1,245</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(62,012)</u>	<u>(55,011)</u>	<u>(53,814)</u>	<u>1,197</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	75,720	76,977	77,600	623
Transfers Out	(16,012)	(22,605)	(21,085)	1,520
TOTAL OTHER FINANCING SOURCES (USES)	<u>59,708</u>	<u>54,372</u>	<u>56,515</u>	<u>2,143</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(2,304)</u>	<u>(639)</u>	<u>2,701</u>	<u>3,340</u>
BUDGETARY FUND BALANCE - OCTOBER 1	31,170	31,170	31,170	0
Reserve for Encumbrances - October 1, 2005	0	665	665	0
Change in Reserve for Prepaid Costs and Inventory	0	(23)	(23)	0
BUDGETARY FUND BALANCE - SEPTEMBER 30	<u>\$ 28,866</u>	<u>\$ 31,173</u>	34,513	<u>\$ 3,340</u>
Reconciliation of Budget to GAAP Reporting				
Reserve for Encumbrances - September 30, 2006			506	
Reserve for Prepaid Costs and Inventory			268	
Recognition of Prior Year's Changes in Fair Value of Investments Held			(204)	
Recognition of Current Year's Changes in Fair Value of Investments Held			(105)	
FUND BALANCES - SEPTEMBER 30			<u>\$ 34,978</u>	

The accompanying notes are an integral part of these statements.

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	UTILITY TAX			LOCAL OPTION TAX			
	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
REVENUES							
Taxes	\$ 35,212	\$ 36,771	\$ 1,559	\$ 25,243	\$ 25,243	\$ 27,271	\$ 2,028
Intergovernmental Revenues	0	0	0	0	0	0	0
Use of Money and Property	0	0	0	25	25	2	(23)
Miscellaneous Revenues	0	1	1	0	0	0	0
TOTAL REVENUES	35,212	36,772	1,560	25,268	25,268	27,273	2,005
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	35,212	36,772	1,560	25,268	25,268	27,273	2,005
OTHER FINANCING SOURCES (USES)							
Transfers Out							
General Fund	(35,212)	(35,263)	(51)	(25,243)	(26,701)	(26,701)	0
Total Transfers Out	(35,212)	(35,263)	(51)	(25,243)	(26,701)	(26,701)	0
TOTAL OTHER FINANCING SOURCES (USES)	(35,212)	(35,263)	(51)	(25,243)	(26,701)	(26,701)	0
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	1,509	1,509	25	(1,433)	572	2,005
BUDGETARY FUND BALANCES - OCTOBER 1	4,500	4,500	0	6,409	6,409	6,409	0
Reserve for Encumbrances - September 30	0	0	0	0	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 4,500	6,009	\$ 1,509	\$ 6,434	\$ 4,976	6,981	\$ 2,005
RECONCILIATION OF BUDGET TO GAAP REPORTING							
Reserve for Encumbrances - September 30, 2006		0				0	
FUND BALANCES - SEPTEMBER 30		\$ 6,009				\$ 6,981	

The accompanying notes are an integral part of these statements.

EXCISE TAX			GRANTS			
ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
21,945	22,590	645	0	3,994	3,819	(175)
8	29	21	0	99	89	(10)
0	0	0	0	1,108	1,447	339
<u>21,953</u>	<u>22,619</u>	<u>666</u>	<u>0</u>	<u>5,201</u>	<u>5,355</u>	<u>154</u>
0	0	0	0	3,994	5,575	(1,581)
0	0	0	0	3,994	5,575	(1,581)
<u>21,953</u>	<u>22,619</u>	<u>666</u>	<u>0</u>	<u>1,207</u>	<u>(220)</u>	<u>(1,427)</u>
<u>(21,953)</u>	<u>(21,852)</u>	<u>101</u>	<u>0</u>	<u>(303)</u>	<u>(303)</u>	<u>0</u>
<u>(21,953)</u>	<u>(21,852)</u>	<u>101</u>	<u>0</u>	<u>(303)</u>	<u>(303)</u>	<u>0</u>
<u>(21,953)</u>	<u>(21,852)</u>	<u>101</u>	<u>0</u>	<u>(303)</u>	<u>(303)</u>	<u>0</u>
0	767	767	0	904	(523)	(1,427)
3,557	3,557	0	514	514	514	0
0	0	0	0	0	53	53
<u>\$ 3,557</u>	<u>4,324</u>	<u>\$ 767</u>	<u>\$ 514</u>	<u>\$ 1,418</u>	<u>44</u>	<u>\$ (1,374)</u>
	<u>0</u>				<u>180</u>	
	<u>\$ 4,324</u>				<u>\$ 224</u>	

**CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
SEPTEMBER 30, 2006**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 1,481,130	\$ 1,384,717	\$ 1,823,111
Investments	109,724,985	1,977,956	4,906,055
Receivables			
Accounts	6,577,731	3,353,291	2,038,880
Accrued Interest	1,327,240	10,889	22,969
Unbilled Revenues	2,119,689	0	143,795
Due from Other Governmental Agencies			
Grants	2,040,974	2,978,423	0
Services	1,520,353	0	0
Contracts	595,599	0	0
Inventories	850,332	25,223	61,048
Prepaid Expenses and Deposits	499	0	415
Restricted Assets			
Cash and Cash Equivalents	52,761,362	522,868	0
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Total Current Assets	178,999,894	10,253,367	8,996,273
NONCURRENT ASSETS			
Capital Assets			
Land	4,309,442	4,283,067	203,692
Buildings	6,492,095	3,332	858,824
Improvements	2,465,831	19,818,937	500,012
Machinery and Equipment	11,925,724	409,419	34,739,839
Utility Systems	578,298,706	133,629,728	0
Accumulated Depreciation	(208,928,958)	(33,031,390)	(28,472,430)
Projects in Progress	13,287,704	3,196,937	98,762
Total Capital Assets	407,850,544	128,310,030	7,928,699
Other Assets			
Assessments (Net of Uncollectible)	35,231	0	1,659,823
Contract Receivable From Other			
Governmental Agency	21,508,306	0	0
Unamortized Loan Costs	2,748,373	241,388	0
Total Other Assets	24,291,910	241,388	1,659,823
Total Noncurrent Assets	432,142,454	128,551,418	9,588,522
TOTAL ASSETS	\$ 611,142,348	\$ 138,804,785	\$ 18,584,795

The accompanying notes are an integral part of these statements.

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICES FUNDS
\$ 6,433,119	\$ 11,122,077	\$ 24,335,378
0	116,608,996	41,592,383
116,518	12,086,420	1,028,121
0	1,361,098	389,869
0	2,263,484	0
991,054	6,010,451	0
0	1,520,353	0
0	595,599	0
124,562	1,061,165	1,135,511
3,500	4,414	3,660,560
3,960,629	57,244,859	0
218,351	218,351	0
<u>11,847,733</u>	<u>210,097,267</u>	<u>72,141,822</u>
3,522,091	12,318,292	1,896,580
12,234,152	19,588,403	10,696,303
22,955,941	45,740,721	2,760,360
2,950,814	50,025,796	75,845,169
0	711,928,434	0
(22,785,506)	(293,218,284)	(61,517,280)
5,367,098	21,950,501	0
<u>24,244,590</u>	<u>568,333,863</u>	<u>29,681,132</u>
0	1,695,054	0
0	21,508,306	0
51,289	3,041,050	0
<u>51,289</u>	<u>26,244,410</u>	<u>0</u>
24,295,879	594,578,273	29,681,132
<u>\$ 36,143,612</u>	<u>\$ 804,675,540</u>	<u>\$ 101,822,954</u>

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF NET ASSETS (Continued)
PROPRIETARY FUNDS
SEPTEMBER 30, 2006

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
LIABILITIES			
CURRENT LIABILITIES			
Vouchers and Accounts Payable	\$ 4,762,395	\$ 863,802	\$ 2,079,312
Accrued Salaries	300,041	70,536	186,190
Accrued Annual Leave	164,875	5,217	96,895
Retainage on Contracts	879,785	131,859	0
Due to Other Governmental Agencies	33,046	0	1,216
Claims - Current Portion	0	0	0
Bonds and Notes Payable - Current Portion	1,219,407	0	0
Lease Payable - Current Portion	0	0	0
Payable from Restricted Assets			
Bonds and Notes Payable - Current Portion	2,330,000	0	0
Accrued Interest	3,750,657	522,868	0
Other Current Liabilities	0	0	0
Deposits	463,414	0	(30)
Total Current Liabilities	13,903,620	1,594,282	2,363,583
LONG-TERM LIABILITIES			
Accrued Annual Leave	1,480,161	209,452	1,097,281
Less Current Portion	(164,875)	(5,217)	(96,895)
Notes Payable	23,499,494	0	0
Less Current Portion	(1,219,407)	0	0
Revenue Bonds Payable	158,502,000	20,478,000	0
Less Current Portion	(2,330,000)	0	0
Lease Payable	0	0	0
Less Current Portion	0	0	0
Claims	0	0	0
Less Current Portion	0	0	0
Unamortized Discount	(346,314)	(225,965)	0
Unamortized Deferred Amount on Refunding	(1,048,067)	0	0
Total Long-term Liabilities	178,372,992	20,456,270	1,000,386
TOTAL LIABILITIES	192,276,612	22,050,552	3,363,969
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	275,632,049	108,299,383	7,928,699
Restricted			
Debt Service	1,089,323	0	0
Capital Projects	0	0	0
Unrestricted	142,144,364	8,454,850	7,292,127
TOTAL NET ASSETS	\$ 418,865,736	\$ 116,754,233	\$ 15,220,826

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.

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICES FUNDS
\$ 909,233	\$ 8,614,742	\$ 2,602,219
105,109	661,876	413,806
5,149	272,136	87,838
412,401	1,424,045	0
62,116	96,378	709,411
0	0	4,332,200
3,680,000	4,899,407	0
44,092	44,092	0
0	2,330,000	0
0	4,273,525	0
0	0	147,833
201,342	664,726	6,217,638
<u>5,419,442</u>	<u>23,280,927</u>	<u>14,510,945</u>
290,520	3,077,414	997,784
(5,149)	(272,136)	(87,838)
7,105,000	30,604,494	0
(3,330,000)	(4,549,407)	0
2,300,000	181,280,000	0
(350,000)	(2,680,000)	0
150,000	150,000	0
(44,092)	(44,092)	0
0	0	18,805,000
0	0	(4,332,200)
0	(572,279)	0
0	(1,048,067)	0
<u>6,116,279</u>	<u>205,945,927</u>	<u>15,382,746</u>
<u>11,535,721</u>	<u>229,226,854</u>	<u>29,893,691</u>
18,812,941	410,673,072	29,681,132
0	1,089,323	0
55,629	55,629	0
<u>5,739,321</u>	<u>163,630,662</u>	<u>42,248,131</u>
<u>\$ 24,607,891</u>	<u>575,448,686</u>	<u>\$ 71,929,263</u>
	<u>(2,108,697)</u>	
	<u>\$ 573,339,989</u>	

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS		
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY	SANITATION
OPERATING REVENUES			
Sales and Concessions	\$ 45,186,946	\$ 0	\$ 0
Service Charges and Fees	45,573,476	10,701,022	36,838,448
Rentals and Parking	76,284	0	0
Other	200,753	0	0
Total Operating Revenues	91,037,459	10,701,022	36,838,448
OPERATING EXPENSES			
Personal Services and Benefits	20,114,499	4,880,541	14,273,970
Supplies, Services, and Claims	47,533,779	2,139,122	18,461,231
General Administrative Charges	4,116,718	462,100	1,957,600
Depreciation	13,308,591	2,803,968	2,329,220
Total Operating Expenses	85,073,587	10,285,731	37,022,021
OPERATING INCOME (LOSS)	5,963,872	415,291	(183,573)
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental Revenues	109,151	0	0
Earnings on Investments	6,956,671	395,264	400,023
Other Interest Revenue	1,104,774	0	207,779
Interest Expense	(4,102,255)	0	0
Financing Fees and Premium Paid	0	0	0
Amortization of Bond Discount and Issue Cost	(55,392)	0	0
Securities Lending Income	3,796,289	194,558	245,761
Securities Lending Expenses			
Interest	(3,684,754)	(188,419)	(238,426)
Agent Fees	(44,614)	(2,455)	(2,934)
Gain on Disposition of Capital Assets	39,330	24,375	250,732
Contributions	0	0	0
Miscellaneous Revenues	566,150	7,459	46,610
Total Nonoperating Revenues (Expenses)	4,685,350	430,782	909,545
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	10,649,222	846,073	725,972
CONTRIBUTIONS			
Capital Assets from (to) Other Funds			
Capital Assets In	0	5,005,618	0
Contributions from Citizens, Developers and Grantors	4,084,842	3,384,324	136,135
Total Contributions	4,084,842	8,389,942	136,135
TRANSFERS IN (OUT)			
Transfers In	0	0	0
Transfers Out	(8,084,820)	(1,434,960)	(2,432,328)
Total Transfers In (Out)	(8,084,820)	(1,434,960)	(2,432,328)
CHANGE IN NET ASSETS	6,649,244	7,801,055	(1,570,221)
NET ASSETS - OCTOBER 1	412,216,492	108,953,178	16,791,047
NET ASSETS - SEPTEMBER 30	\$ 418,865,736	\$ 116,754,233	\$ 15,220,826

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.

NONMAJOR ENTERPRISE FUNDS	TOTAL	GOVERNMENTAL ACTIVITIES - INTERNAL SERVICE FUNDS
\$ 716,351	\$ 45,903,297	\$ 0
2,928,170	96,041,116	75,569,898
3,856,127	3,932,411	6,381,468
0	200,753	0
<u>7,500,648</u>	<u>146,077,577</u>	<u>81,951,366</u>
4,226,166	43,495,176	16,216,829
2,386,404	70,520,536	56,237,770
404,900	6,941,318	0
1,308,249	19,750,028	7,812,419
<u>8,325,719</u>	<u>140,707,058</u>	<u>80,267,018</u>
(825,071)	5,370,519	1,684,348
25,000	134,151	0
362,479	8,114,437	2,515,720
0	1,312,553	0
(82,179)	(4,184,434)	0
(3,450)	(3,450)	0
(2,994)	(58,386)	0
0	4,236,608	1,198,859
0	(4,111,599)	(1,164,068)
0	(50,003)	(13,917)
605	315,042	525,909
140,960	140,960	0
56,763	676,982	223,505
<u>497,184</u>	<u>6,522,861</u>	<u>3,286,008</u>
(327,887)	11,893,380	4,970,356
0	5,005,618	1,921,043
<u>1,788,160</u>	<u>9,393,461</u>	<u>0</u>
<u>1,788,160</u>	<u>14,399,079</u>	<u>1,921,043</u>
2,640,000	2,640,000	120,000
(576,576)	(12,528,684)	(100,000)
<u>2,063,424</u>	<u>(9,888,684)</u>	<u>20,000</u>
3,523,697	16,403,775	6,911,399
<u>21,084,194</u>	<u>559,044,911</u>	<u>65,017,864</u>
<u>\$ 24,607,891</u>	<u>\$ 575,448,686</u>	<u>\$ 71,929,263</u>
	451,634	
	<u>\$ 16,855,409</u>	

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS	
	WATER AND WASTEWATER UTILITY	STORMWATER UTILITY
	CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 88,648,629	\$ 10,385,170
Payments to Suppliers	(38,317,274)	(212,429)
Payments to Employees	(20,078,052)	(4,852,043)
Internal Activity - Payments to Other Funds	(10,740,262)	(1,971,813)
Claims Paid	(578,503)	0
Net Cash Provided (Used) by Operating Activities	18,934,538	3,348,885
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Intergovernmental Revenue	19,955	350,592
Transfers In	0	0
Transfers Out	(8,084,820)	(1,434,960)
Net Cash Provided by (Used for) Noncapital Financing Activities	(8,064,865)	(1,084,368)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(30,500,094)	(8,317,272)
Principal Paid on Revenue Bond and Note Maturities	(4,310,574)	0
Interest Paid on Revenue Bonds and Notes	(6,713,056)	(1,045,736)
Proceeds From Sale of Bonds and Notes	50,420,000	0
Proceeds From Sale of Capital Assets and Recoveries	39,330	24,375
Variable Rate Bond Fees	0	0
Bond Issue Expenses	634,319	0
Capital Contributed by Developers and Citizens	2,163,663	75,604
Collections on Contracts and Notes Receivable	572,141	0
Net Cash Provided by (Used for) Capital and Related Financing Activities	12,305,729	(9,263,029)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of Investment Securities	(6,000,000)	0
Proceeds From Sale and Maturities of Investment Securities	6,000,000	6,000,000
Interest on Investments (Includes Security Lending income)	11,913,312	504,518
Security Lending Expenses and Fees	(3,729,368)	(190,874)
Net Cash Provided by (Used for) Investment Activities	8,183,944	6,313,644
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	31,359,346	(684,868)
CASH AND CASH EQUIVALENTS - OCTOBER 1	22,883,146	2,592,453
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	\$ 54,242,492	\$ 1,907,585
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ 5,963,872	\$ 415,291
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation	13,308,591	2,803,968
Other Revenues (Expenses)	566,150	7,459
(Increase) Decrease in Accounts Receivable	(1,000,017)	(323,311)
(Increase) Decrease in Due from Other Governmental Agencies	(1,379,362)	0
(Increase) Decrease in Inventories	153,758	313
(Increase) Decrease in Prepaid Expenses and Deposits	701	0
(Increase) Decrease in Assessments	0	0
Increase (Decrease) in Vouchers and Accounts Payable	1,859,999	416,667
Increase (Decrease) in Accrued Salaries	25,099	(979)
Increase (Decrease) in Accrued Annual Leave	11,348	29,477
Increase (Decrease) in Due to Other Governmental Agencies	(112,027)	0
Increase (Decrease) in Other Current Liabilities	(540,000)	0
Increase (Decrease) in Claims	0	0
Increase (Decrease) in Deposits	76,426	0
Net Cash Provided by Operating Activities	\$ 18,934,538	\$ 3,348,885
Noncash Investing, Capital, and Financing Activities:		
Contributions of Capital Assets from Other Funds	\$ 0	\$ 5,005,618
Decrease in Claims	0	0
Increase (Decrease) in Fair Value of Investments	(396,206)	115,137

The accompanying notes are an integral part of these statements.

			GOVERNMENTAL
			ACTIVITIES-
			INTERNAL
			SERVICE FUNDS
SANITATION	NON MAJOR ENTERPRISE FUNDS	TOTALS	
\$ 36,725,739	\$ 7,869,054	\$ 143,628,592	\$ 82,452,897
(11,444,568)	(1,678,946)	(51,653,217)	(51,639,541)
(14,203,803)	(4,221,088)	(43,354,986)	(16,129,708)
(8,158,513)	(922,762)	(21,793,350)	(4,527,088)
<u>(483,048)</u>	<u>(19,260)</u>	<u>(1,080,811)</u>	<u>(4,890,361)</u>
<u>2,435,807</u>	<u>1,026,998</u>	<u>25,746,228</u>	<u>5,266,199</u>
348,740	686,832	1,406,119	606
0	2,640,000	2,640,000	120,000
<u>(2,432,328)</u>	<u>(576,576)</u>	<u>(12,528,684)</u>	<u>(100,000)</u>
<u>(2,083,588)</u>	<u>2,750,256</u>	<u>(8,482,565)</u>	<u>20,606</u>
(3,960,518)	(5,099,370)	(47,877,254)	(7,310,629)
0	(565,000)	(4,875,574)	0
0	(121,179)	(7,879,971)	0
0	7,255,000	57,675,000	0
292,207	605	356,517	585,715
0	(23,450)	(23,450)	0
0	0	634,319	0
0	540,960	2,780,227	0
<u>0</u>	<u>0</u>	<u>572,141</u>	<u>0</u>
<u>(3,668,311)</u>	<u>1,987,566</u>	<u>1,361,955</u>	<u>(6,724,914)</u>
0	0	(6,000,000)	(13,003,750)
4,005,648	0	16,005,648	3,375,395
861,783	362,479	13,642,092	3,912,033
<u>(241,360)</u>	<u>0</u>	<u>(4,161,602)</u>	<u>(1,177,985)</u>
<u>4,626,071</u>	<u>362,479</u>	<u>19,486,138</u>	<u>(6,894,307)</u>
1,309,979	6,127,299	38,111,756	(8,332,416)
<u>513,132</u>	<u>4,484,800</u>	<u>30,473,531</u>	<u>32,667,794</u>
\$ <u>1,823,111</u>	\$ <u>10,612,099</u>	\$ <u>68,585,287</u>	\$ <u>24,335,378</u>
\$ (183,573)	\$ (825,071)	\$ 5,370,519	\$ 1,684,348
2,329,220	1,308,249	19,750,028	7,812,419
46,610	56,763	676,982	223,505
(485,226)	386,423	(1,422,131)	(117,426)
135,879	0	(1,243,483)	0
7,762	(24,707)	137,126	181,016
(415)	173	459	(2,008,178)
188,812	0	188,812	0
325,355	194,870	2,796,891	(2,933,565)
48,992	(32,312)	40,800	37,729
21,175	37,390	99,390	49,392
1,216	33,223	(77,588)	(166,910)
0	0	(540,000)	0
0	0	0	(59,000)
<u>0</u>	<u>(108,003)</u>	<u>(31,577)</u>	<u>562,869</u>
\$ <u>2,435,807</u>	\$ <u>1,026,998</u>	\$ <u>25,746,228</u>	\$ <u>5,266,199</u>
\$ 0	\$ 0	\$ 5,005,618	\$ 1,920,424
0	0	0	(59,000)
34,133	0	(246,936)	(251,710)

**CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
SEPTEMBER 30, 2006**

	<u>PENSION FUNDS</u>	<u>AGENCY</u>
ASSETS		
Cash and Cash Equivalents	\$ 2,683,395	\$ 615,577
Trustee Accounts		
Cash and Cash Equivalents	<u>16,803,059</u>	<u>0</u>
Total Cash and Cash Equivalents	<u>19,486,454</u>	<u>615,577</u>
Receivables		
Accounts	0	5,119
Due from Other Governmental Agencies	0	28,291
Unsettled Investment Sales	4,148,209	0
Interest and Dividends	<u>3,125,505</u>	<u>0</u>
Total Receivables	<u>7,273,714</u>	<u>33,410</u>
Investments, at Fair Value		
Government Securities	107,039,648	0
Corporate Bonds	124,891,652	0
Common and Preferred Stock	<u>404,095,337</u>	<u>0</u>
Total Investments	<u>636,026,637</u>	<u>0</u>
TOTAL ASSETS	<u>662,786,805</u>	<u>648,987</u>
LIABILITIES		
Payables		
Accounts	25,328	2,836
Due to Other Governmental Agencies- Pinellas County	0	522,167
Deferred Retirement Option Plan	3,163,364	0
Unsettled Investment Purchases	4,131,846	0
Uncashed Checks	<u>0</u>	<u>123,984</u>
TOTAL LIABILITIES	<u>7,320,538</u>	<u>648,987</u>
NET ASSETS		
Held in Trust for Pension Benefits	<u><u>\$ 655,466,267</u></u>	<u><u>\$ 0</u></u>

The accompanying notes are an integral part of these statements.

**CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	<u>PENSION FUNDS</u>
ADDITIONS	
Contributions	
Employer (Charges to Other Funds)	\$ 31,039,638
Employees	4,331,655
State Insurance Fund	5,723,182
Total Contributions	41,094,475
Investment Income	
Net Increase in Fair Value of Investments	30,723,260
Interest on Investments	11,823,047
Dividends on Stock	5,914,394
Total Investment Income	48,460,701
Less Investment Expense	2,301,599
Net Investment Income	46,159,102
TOTAL ADDITIONS	87,253,577
 DEDUCTIONS	
Benefits	32,849,046
Deferred Retirement Option Payouts	1,452,482
Deferred Retirement Option Contributions	1,856,255
Deferred Retirement Option Earnings	137,306
Refunds of Contributions	284,680
Interest on Contributions Refunded	384
Administrative Expenses	5,249
TOTAL DEDUCTIONS	36,585,402
CHANGE IN NET ASSETS	50,668,175
NET ASSETS - OCTOBER 1	604,798,092
NET ASSETS - SEPTEMBER 30	\$ 655,466,267

The accompanying notes are an integral part of these statements.

NOTES TO THE FINANCIAL STATEMENTS

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of St. Petersburg is a municipal corporation, created under City Ordinance 118F and Florida Statute 155.05, governed by an elected eight member council. The accompanying financial statements present the City of St. Petersburg (the primary government) and its component units for which the government is considered to be financially accountable. The blended component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. The discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separated from the government.

The related organization and jointly governed organization financial operations are not presented in the City's Financial Statements.

Blended Component Unit - St. Petersburg Community Redevelopment Agency (SPCRA): The City Council is the governing body of the SPCRA, which was created by City Resolutions 81-1401 and 81-465, and approved by the Board of County Commissioners of Pinellas County under Chapter 163, Florida Statutes, to act as the redevelopment agency. 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 benefiting 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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

between the counties of Hillsborough, Pasco and Pinellas and the cities of St. Petersburg, New Port Richey, and Tampa, Florida (the members). The purpose of the Authority is to develop regional water supplies and to supply water to its members at a wholesale price. The TBWA is the reorganized West Coast Regional Water Supply Authority with a governing board of nine voting members, two from each of the county governments and one from each of the city governments. The City of St. Petersburg for the fiscal year ended September 30, 2006, had a related party transaction with the TBWA as follows: The City paid \$21,742,600 for water purchases, and received \$1,101,633 in interest and \$572,141 of principal on the TBWA contract receivable. The remaining principal in the TBWA contract receivable is \$22,103,905.

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, excluding agency funds (D-18), are reported using the economic resources

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

measurement focus and the accrual basis of accounting. Revenues are recognized in the period in which they are earned and expenses are recognized in the period incurred. Property tax revenue is recognized in the period for which they are levied. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as needed.

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, wastewater and sanitation services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries and benefits, supplies, travel, contract services, depreciation, administrative expenses or other expenses directly related to costs of services. All other 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 until they have been paid; (2) prepaid insurance and similar items, which are reported only on the balance sheet and do not affect expenditures; and (3) principal and interest on long-term debt, which are recognized when due. Budgets for governmental funds are also prepared on the modified accrual basis.

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

The accounting policies and the presentation of the financial report of the City of St. Petersburg, Florida have been designed to conform to generally accepted accounting principles (GAAP) as applicable to governmental units, in accordance with the Governmental Accounting Standards Board (GASB). The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

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.
- 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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

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, and other governments. The activities included in the agency funds include all payroll liability clearing, employee payroll deductions for credit union deposits, IRS collection activity, 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 three months or less from the date of acquisition. All investments are reported of fair value.

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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

- 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 FAMCA, 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.
- 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.
- Money managers for an internally restricted investment 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 a 2A-7 like investment at September 30, 2006. The City invests funds throughout the year with the Local Government Surplus Funds Trust Fund, an investment pool

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

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, 2006, 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 49.18% of the SBA's total portfolio at September 30, 2006.

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.

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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

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, 2006, total \$462,113. 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.

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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

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. Losses resulting from advanced refundings of debt 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.

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.

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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 2 - BUDGET AND BUDGETARY DATA – (Continued)

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 final 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.

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 budget is made. The reserve for inventory and reserve for prepaid costs and deposits are treated as unavailable in determining fund balance on the budgetary basis.

Excess of Expenditures over Final Approved Budget:

For the year ended September 30, 2006, the following funds had excess of actual expenditures over the final approved budget.

General Fund:		Grants Fund	<u>\$ 1,581,000</u>
Police	\$ 303,000		
Fire and EMS	<u>43,000</u>		
	<u>\$ 346,000</u>		

In accordance with City policy, the expenditures in excess of budget were funded by available fund balance. Only funds with legally adopted budgets are required to disclose the above information.

NOTE 3 - PROPERTY TAXES

A. CALENDAR OF PROPERTY TAX EVENTS

January 1, 2005 - Property taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

May 23, 2005 - Property assessment roll and certificates of value by County Property Appraiser provided to the City.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 3 - PROPERTY TAXES – (Continued)

July 7, 2005 - Proposed tax millage rate approved by the City Council and provided to the County Property Appraiser, who mails notices to the taxpayers.

September 8, 2005 - Property tax millage rate resolution approved by the City Council.

October 1, 2005 - Beginning of fiscal year for which taxes are levied.

December 12, 2005 - County Property Appraiser notifies the City of taxable value on the final property tax assessment roll.

November 1, 2005 - Property Tax levy due and payable.

April 1, 2006 - Unpaid property taxes become delinquent and become a lien.

June 1, 2006 - 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 of the tax year and at least one distribution each month thereafter. The City recognizes property tax revenue in the period in which they are levied.

C. TAX LIMITATIONS

Florida Statutes set the maximum millage rate at 10 mills of assessed valuation for operating purposes. For the fiscal year ended September 30, 2006, the approved operating millage was 6.95.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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 \$8,542,970 and the bank balances were \$9,447,005. Of the bank balances, \$811,254 was insured by federal depository insurance and \$8,635,751 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 expired 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. Bank of America agreed to extend both the banking service and credit card processing until a new bank contract can be negotiated in fiscal year 2007.

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 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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 4 – DEPOSITS AND INVESTMENTS – (Continued)

years. The policy was modified in 2006 to authorize \$14 million of core investments the ability to be invested with two outside money managers.

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.

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

	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Modified Duration (Years)</u>	<u>Percent of Portfolio</u>
Cash and Cash Equivalents:				
Cash		\$ 5,224,112		3.45%
State of Florida Local Government Surplus Trust Fund	Not Rated	113,305,405	0.4	74.76%
Mercantile Bank – Treasury Index Money Market Fund	AAA	9,234	0.4	.01%
Bank of America – Columbia Strategic Cash Fund	AAA	<u>33,007,835</u>	0.2	<u>21.78%</u>
TOTAL		<u>\$151,546,586</u>		<u>100.00%</u>
Investments:				
Collateralized Mortgage Obligations	AAA	\$ 103,610	15.4	.04%
Taxable Municipal Bonds	AAA	6,217,692	0.0	2.57%
Federal Agency Bond/Notes:				
FAMCA	AAA	4,913,550	3.0	2.03%
FFCB	AAA	4,606,027	2.1	1.90%
FHLB	AAA	144,243,138	2.2	59.52%
FHLMC	AAA	15,640,907	2.0	6.45%
FNMA	AAA	<u>66,635,038</u>	<u>2.5</u>	<u>27.49%</u>
TOTAL		<u>\$242,359,962</u>	<u>2.17</u>	<u>100.00%</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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.

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 on the prior page 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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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:				
Deutsche Bank Trust Institutional Treasury Money Market	AAA	\$ 694,405	0.4	4.34%
Sun Trust Bank Trust Institutional Treasury Money Market	AAA	<u>386,029</u>	0.4	2.43%
TOTAL		<u>1,080,434</u>		
Investments:				
U.S. Treasury Notes		850,456	1.2	5.32%
American Income Stock Fund	Not Rated	127,208	Not Available	.80%
Columbia Short-term Bond Fund	Not Rated	46,146	Not Available	.29%
Columbia Total Return Bond Fund	Not Rated	77,410	Not Available	.48%
Columbia Stock Fund	Not Rated	98,873	Not Available	.62%
Common Stock	Not Rated	7,856,211	Not Available	49.12%
Columbia Cash Reserve	AAA	4,572	0.4	.03%
U.S. Bank Trust Institutional Treasury	AAA	213,779	0.4	1.32%
U.S. Agencies	AAA	4,195,921	3.6	26.23%
Collateral Mortgage Obligations	AAA	540,098	8.8	3.38%
Corporate Bonds	AAA-Aa3	<u>904,311</u>	6.8	<u>5.64%</u>
TOTAL		<u>14,914,985</u>		<u>100.00%</u>
Total Trustee Accounts		<u>\$15,995,419</u>		

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

Cash \$ 19,886

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

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		\$ 615,577		
TOTAL		<u>\$ 615,577</u>		
Pension Funds (General Employees, Police and Firefighters)				
Cash and Cash Equivalents:				
Cash		\$ 2,683,395		.41%
Institutional Money Markets	AAA	<u>16,803,059</u>	.13	<u>2.56%</u>
TOTAL		<u>19,486,454</u>		<u>2.97%</u>
Investments:				
U. S. Treasuries		10,485,452	7.90	1.61%
U. S. Agencies	AAA	96,554,196	7.35	14.73%
Corporate Bonds	AA – A1	124,891,652	7.50	19.05%
Common and Preferred Stock		341,606,271		52.11%
Stock Mutual Funds		17,570,111		2.68%
Commingled Foreign Stock Mutual Funds		<u>44,918,955</u>		<u>6.85%</u>
TOTAL		<u>636,026,637</u>		<u>97.03%</u>
TOTAL PENSION FUNDS		<u>\$ 655,513,091</u>		<u>100.00%</u>

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 7.5 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 AAA.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 4 - DEPOSITS AND INVESTMENTS - (Continued)

Concentration of Credit Risk (Percent of Portfolio)

The investment policy of the General Employees Retirement Fund, Firefighters and Police Officers Pension Funds limits investment in any one issuer to 5 percent of the total portfolio. Investments in shares of companies that have been publicly traded for less than one year are limited to no more than 15% of an investment manager's total equity portfolio for both the Firefighters and Police Officers Funds. 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 6.88 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 lent 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, 2006, 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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 5 - SECURITIES LENDING – (Continued)

The following represent the balances of the securities lending transactions at the balance sheet date, September 30, 2006.

<u>Lender</u>	<u>Number of Loans Outstanding</u>	<u>Securities Loaned</u>	<u>Fair Value of Securities Loaned with Accrued Interest</u>	<u>Fair Value of Collateral</u>	<u>Excess Collateral</u>
Barclays Capital Inc.	4	FNMA, FHLMC & FHLB	\$ 19,757,079	\$ 20,212,500	\$ 455,421
Bank of America	3	FHLB & FNMA	14,736,174	14,824,500	88,326
Dresdner Securities Inc.	10	FNMA & FHLB	49,744,317	50,618,750	874,433
Goldman, Sachs & Co.	6	FAMCA, FHLB, FNMA & FHLB	30,169,867	30,468,750	298,883
Credit Suisse Securities	6	FHLB	29,141,757	29,823,150	681,393
Morgan Stanley & Co., Inc.	5	FHLB	24,712,992	25,025,000	312,008
UBS Securities LLC	3	FHLMC & FNMA	15,088,088	15,187,500	99,412
TOTAL			<u>\$ 183,350,274</u>	<u>\$186,160,150</u>	<u>\$ 2,809,876</u>

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):

Governmental Activities	<u>General</u>	<u>Utility Tax</u>	<u>LOSSI (*)</u>	<u>Grants</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total</u>
Accounts	\$ 1,362	\$ 197	\$ 0	\$ 12	\$ 674	\$ 1,028	\$ 3,373
Taxes	0	4,581	0	0	1,928	0	6,509
Accrued Interest	412	0	304	0	806	390	1,912
Notes	3,081	0	0	3,244	934	0	7,259
Assessments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>451</u>	<u>0</u>	<u>451</u>
Total Governmental	4,955	4,778	304	3,256	4,793	1,418	19,504
Less: Allowance for uncollectible	<u>182</u>	<u>0</u>	<u>0</u>	<u>113</u>	<u>85</u>	<u>0</u>	<u>380</u>
Net Governmental Receivable	<u>\$ 4,773</u>	<u>\$4,778</u>	<u>\$ 304</u>	<u>\$ 3,143</u>	<u>\$ 4,708</u>	<u>\$ 1,418</u>	<u>\$19,124</u>

* Local Option Sales Surtax Improvement

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 6 – RECEIVABLES – (Continued)

Business-type Activities	Water & Wastewater <u>Utility</u>	Stormwater <u>Utility</u>	<u>Sanitation</u>	Nonmajor Enterprise <u>Funds</u>	<u>Total</u>
Accounts	\$ 6,578	\$ 3,353	\$ 2,039	\$ 116	\$ 12,086
Accrued Interest	1,327	11	23	0	1,361
Unbilled Revenues	<u>2,120</u>	<u>0</u>	<u>144</u>	<u>0</u>	<u>2,264</u>
Total Business-Type	<u>\$ 10,025</u>	<u>\$ 3,364</u>	<u>\$ 2,206</u>	<u>\$ 116</u>	<u>15,711</u>
Net Total Receivable					<u>\$ 34,835</u>

Amounts actually written off during the year were \$77,262 for the General Fund, \$111,934 for the Grants Fund, \$71,921 for the nonmajor Governmental Funds, \$213,672 for the Water and Wastewater Utility Fund, \$15,564 for the Stormwater Utility Fund, and \$29,388 for the Sanitation Fund.

The City had notes receivable in the following funds at September 30, 2006. 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.	281,656
	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>\$3,081,656</u>

CITY OF ST. PETERSBURG, FLORIDA

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006

NOTE 6 – RECEIVABLES – (Continued)

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.	\$ 819,885
-------	---	------------

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, including interest through 2033.	469,289
-----------	---	---------

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>2,774,400</u>
		<u>\$4,063,574</u>

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>\$ 113,867</u>
-----------	--	-------------------

	Total Governmental Notes Receivable	<u>\$7,259,097</u>
--	-------------------------------------	--------------------

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006.

ENTERPRISE FUNDS

Water & Wastewater Utility

3.43 -	Contract receivable from Tampa Bay Water Authority for sale of well	
5.03%	fields and pipelines, due in monthly payments of \$139,481 including	
	interest, through September 2028.	<u>\$ 22,103,905</u>
	Total Enterprise Funds	22,103,905
	Less: Current Portion	<u>595,599</u>
	Total Non-Current Portion	<u>\$ 21,508,306</u>

NOTE 8 - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2006 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	\$ 138,577,365	\$ 465,223	\$ 0	\$ 139,042,588
Construction in progress	<u>68,597,874</u>	<u>45,274,857</u>	<u>80,185,209</u>	<u>33,687,522</u>
Total Capital Assets, not being depreciated	<u>207,175,239</u>	<u>45,740,080</u>	<u>80,185,209</u>	<u>172,730,110</u>
Capital assets, being depreciated:				
Buildings and systems	321,055,497	22,517,396	143,766	343,429,127
Improvements and Infrastructure	284,598,301	37,328,175	815,871	321,110,605
Machinery and equipment	<u>138,944,080</u>	<u>25,559,347</u>	<u>14,934,154</u>	<u>149,569,273</u>
Total Capital Assets being depreciated	<u>744,597,878</u>	<u>85,404,918</u>	<u>15,893,791</u>	<u>814,109,005</u>
Less accumulated depreciation for:				
Buildings and systems	110,978,225	3,445,581	126,614	114,297,192
Improvements and Infrastructure	159,170,026	9,305,997	645,607	167,830,416
Machinery and equipment	<u>98,702,254</u>	<u>16,292,310</u>	<u>11,565,389</u>	<u>103,429,175</u>
Total accumulated depreciation	<u>368,850,505</u>	<u>29,043,888</u>	<u>12,337,610</u>	<u>385,556,783</u>
Total Capital Assets, being depreciated, net	<u>375,747,373</u>	<u>56,361,030</u>	<u>3,556,181</u>	<u>428,552,222</u>
Governmental activities Capital Assets, net	<u>\$ 582,922,612</u>	<u>\$ 102,101,110</u>	<u>\$ 83,741,390</u>	<u>\$ 601,282,332</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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>49,419,023</u>	<u>48,999,488</u>	<u>76,468,010</u>	<u>21,950,501</u>
Total Capital Assets, not being depreciated	<u>61,737,315</u>	<u>48,999,488</u>	<u>76,468,010</u>	<u>34,268,793</u>
Capital assets, being depreciated:				
Buildings and systems	17,449,766	2,138,660	0	19,588,426
Improvements other than buildings	36,595,149	9,145,569	0	45,740,718
Machinery and equipment	46,852,711	5,281,776	2,108,787	50,025,700
Utility Systems	<u>643,133,499</u>	<u>68,795,011</u>	<u>0</u>	<u>711,928,510</u>
Total Capital Assets being depreciated	<u>744,031,125</u>	<u>85,361,016</u>	<u>2,108,787</u>	<u>827,283,354</u>
Less accumulated depreciation for:				
Buildings and systems	7,794,081	673,518	0	8,467,599
Improvements other than buildings	16,905,964	747,185	1,574	17,651,575
Machinery and equipment	37,813,243	3,273,417	2,065,237	39,021,423
Utility Systems	<u>213,020,359</u>	<u>15,057,328</u>	<u>0</u>	<u>228,077,687</u>
Total accumulated depreciation	<u>275,533,647</u>	<u>19,751,448</u>	<u>2,066,811</u>	<u>293,218,284</u>
Total Capital Assets, being depreciated, net	<u>468,497,478</u>	<u>65,609,568</u>	<u>41,976</u>	<u>534,065,070</u>
Business-type Activities Capital Assets, net	<u>\$ 530,234,793</u>	<u>\$ 114,609,056</u>	<u>\$ 76,509,986</u>	<u>\$ 568,333,863</u>

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

Governmental Activities:

General Government	\$ 8,373,394
Community and Economic Development	1,406,072
Public Safety – Police	852,647
Public Safety – Fire and EMS	1,041,214
Public Works, including depreciation of general infrastructure assets	6,953,347
Recreation and Culture	<u>10,416,273</u>
Total depreciation expense – governmental activities	<u>\$ 29,042,947</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 8 - CAPITAL ASSETS - (Continued)

Business-type Activities:

Water & Wastewater	\$ 13,308,591
Stormwater	2,803,968
Sanitation	2,329,220
Other nonmajor business-type funds	<u>1,308,249</u>
Total depreciation expense – business-type activities	<u>\$ 19,750,028</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, 2006, are summarized as follows:

	<u>Construction Contracts</u>	<u>Estimated Additional Costs to Complete Projects in Progress</u>
CAPITAL PROJECTS FUNDS		
General Capital Improvement	\$ 1,688,374	\$ 18,913,822
Local Option Sales Surtax Improvement	2,480,662	32,624,907
Housing Improvement	107	1,210,313
Bicycle/Pedestrian Safety Grants	504,637	3,660,886
Transportation Improvement	1,226,040	14,629,805
Downtown Parking	3,400	620,502
Weeki Wachee	<u>0</u>	<u>714,722</u>
Total Capital Projects Funds	<u>\$ 5,903,220</u>	<u>\$ 72,374,957</u>
ENTERPRISE FUNDS		
Water and Wastewater Utility	\$ 11,596,058	\$ 74,672,628
Stormwater Utility	930,328	35,237,553
Sanitation	51,575	0
Other nonmajor business-type funds	<u>5,464,215</u>	<u>2,551,745</u>
Total Enterprise Funds	<u>\$ 18,042,176</u>	<u>\$ 112,461,926</u>
INTERNAL SERVICE FUNDS		
Equipment Maintenance	<u>\$ 1,785,991</u>	<u>\$ 0</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 9 - DISCRETELY PRESENTED COMPONENT UNIT

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

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Over Under</u>
Revenues	\$ 14,000	\$ 1,000	\$ (13,000)
Expenditures	<u>14,000</u>	<u>175</u>	<u>13,825</u>
Excess of Expenditures Over Revenues	0	825	825
Budgetary Fund Balance October 1, 2005	19,061	19,061	0
Reserve for Encumbrances – October 1, 2005	<u>0</u>	<u>0</u>	<u>0</u>
September 30, 2006	<u>\$ 19,061</u>	19,886	<u>\$ 0</u>
Reconciliation of Budget to GAAP Reporting Reserve for Encumbrances – September 30, 2006		<u>0</u>	
Fund Balance September 30, 2006		<u>\$ 19,886</u>	

NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of due to/from other funds as of September 30, 2006, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
	Grants	\$ 480,000
	Nonmajor Governmental Funds	<u>295,000</u>
General		<u>\$ 775,000</u>

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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

The composition of interfund transfers during fiscal year 2006 are as follows:
Interfund Transfers of Financial Assets:

Transfer Out:	Transfer In:					Total
	General Fund	Local Option Sales Surtax Improvement	Nonmajor Governmental	Internal Service	Nonmajor Business-Type	
General Fund	\$ 0	\$ 0	\$ 18,324,905	\$ 120,000	\$ 2,640,000	\$ 21,084,905
Utility Tax	32,564,000	0	2,699,250	0	0	35,263,250
Local Option Tax	2,569,703	24,131,248	0	0	0	26,700,951
Excise Tax	13,452,000	0	8,399,673	0	0	21,851,673
Local Option Sales Surtax Improvement	0	0	1,160,000	0	0	1,160,000
Grants	0	0	303,000	0	0	303,000
Nonmajor Governmental	16,485,209	0	19,563,672	0	0	36,048,881
Internal Service	0	0	100,000	0	0	100,000
Water & Wastewater	8,084,820	0	0	0	0	8,084,820
Stormwater	1,434,960	0	0	0	0	1,434,960
Sanitation	2,432,328	0	0	0	0	2,432,328
Nonmajor Business-type	<u>576,576</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>576,576</u>
Total Transfers Out	<u>\$ 77,599,596</u>	<u>\$ 24,131,248</u>	<u>\$ 50,550,500</u>	<u>\$ 120,000</u>	<u>\$ 2,640,000</u>	<u>\$ 155,041,344</u>

Interfund Transfers of Capital Assets:

Transfer Out:	Transfer In:	
	Stormwater	Internal Service
General Capital Assets	<u>\$ 5,005,618</u>	<u>\$ 1,921,043</u>
Total Transfers during fiscal year 2006		<u>\$ 6,926,661</u>
		<u>\$ 161,968,005</u>

Capital assets are transferred with related accumulated depreciation.

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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 11 - OPERATING LEASE OBLIGATIONS

The City has entered into several non-cancelable operating lease agreements for equipment which end on various dates through 2012, with an option for an additional five year term. The cost for the fiscal year was \$596,866. The following is a schedule by years of the future rentals on non-cancelable leases as of September 30, 2006:

Fiscal Year Ending September 30:	2007	\$ 474,449
	2008	247,060
	2009	129,134
	2010	20,085
	2011	12,819
	2012	<u>9,028</u>
Total Minimum Future Rentals		<u>\$ 892,575</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, 2006. Compensated absences are paid from the fund in which they occur. (In thousands of dollars)

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds and Notes Payable:					
Revenue Bonds	\$ 153,416	\$ 1,309	\$ (14,045)	\$ 140,680	\$ 10,820
Notes	<u>50,575</u>	<u>7,595</u>	<u>(8,600)</u>	<u>49,570</u>	<u>5,175</u>
	203,991	8,904	(22,645)	190,250	15,995
Unamortized premiums, discounts and deferred amounts on refunding for Bonds	2,292	0	(656)	1,636	0
Unamortized premiums, discounts and deferred amounts on refunding for Notes	<u>(404)</u>	<u>0</u>	<u>45</u>	<u>(359)</u>	<u>0</u>
Total Bonds and Notes Payable	<u>205,879</u>	<u>8,904</u>	<u>(23,256)</u>	<u>191,527</u>	<u>15,995</u>
Claims and judgments	18,864	4,099	(4,158)	18,805	4,332
Compensated absences	<u>12,076</u>	<u>1,188</u>	<u>(886)</u>	<u>12,378</u>	<u>954</u>
Governmental activity Long-term liabilities	<u>\$ 236,819</u>	<u>\$ 14,191</u>	<u>\$ (28,300)</u>	<u>\$ 222,710</u>	<u>\$ 21,281</u>

On December 15, 2005, the City borrowed \$1,500,000 from the Sunshine State Governmental Financing Commission (SSGFC) using the same loan agreement the city approved on May 10, 2005 to borrow the original \$16 million. The loan proceeds are being used to renovate the downtown Mahaffey Theatre Performing Arts facility. The loan is part 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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

On May 19, 2006, the City borrowed \$6.095 million from the Sunshine State Governmental Financing Commission (SSGFC) Commercial Paper Loan Program. The loan included \$2,055,000 taxable loan and \$1,200,000 tax-exempt loan for the repayment of a Section 108 program loan from the department of Housing and Urban Development (HUD). There was an additional \$2,840,000 for the Mahaffey Theater Performing Arts. The loan interest is due monthly, principal annually, with final maturity in 2021, except for the \$2,840,000 Mahaffey Project loan which is interest only until 2013 at which time the City intends to refinance using fixed rate tax exempt bond issue.

The ending balance for Governmental Activities Revenue bonds does not include accreted interest yet to be recognized totaling \$ 1,565,364.

	<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	\$ 134,550	\$ 50,420	\$ (3,690)	\$ 181,280	\$ 2,330
Notes	24,685	7,105	(1,185)	30,605	4,899
Capitalized Lease	<u>0</u>	<u>150</u>	<u>0</u>	<u>150</u>	<u>44</u>
	159,235	57,675	(4,875)	212,035	7,273
Unamortized discount and deferred amount on refunding	<u>(2,133)</u>	<u>333</u>	<u>180</u>	<u>(1,620)</u>	
Total Bonds and Notes Payable	<u>157,102</u>	<u>58,008</u>	<u>(4,695)</u>	<u>210,415</u>	<u>7,273</u>
Compensated absences	<u>2,978</u>	<u>352</u>	<u>(253)</u>	<u>3,077</u>	<u>272</u>
Business-type activity Long-term liabilities	<u>\$ 160,080</u>	<u>\$ 58,360</u>	<u>\$ (4,948)</u>	<u>\$ 213,492</u>	<u>\$ 7,545</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	\$ 135,892	\$ 50,420	\$ (4,310)	\$ 182,002	\$ 3,549
Stormwater Utility	20,478	0	0	20,478	0
Non-major Business Activities	<u>2,865</u>	<u>7,255</u>	<u>(565)</u>	<u>9,555</u>	<u>3,724</u>
	159,235	57,675	(4,875)	212,035	7,273
Unamortized Discounts and Deferred Amount on Refunding	<u>(2,133)</u>	<u>333</u>	<u>180</u>	<u>(1,620)</u>	<u>0</u>
Total Bonds and Notes Payable	<u>\$ 157,102</u>	<u>\$ 58,008</u>	<u>\$ (4,695)</u>	<u>\$ 210,415</u>	<u>\$ 7,273</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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	03/15/01	CS120521010	\$ 13,227,511	\$ 10,423,959	3.115-3.18%	09/15/20
May 4, 2000	09/15/03	CS120521020	3,587,494	3,106,750	3.33%	11/15/22
Nov. 27, 2001	09/15/03	CS12052104P	445,776	394,413	3.05%	09/15/23
Nov. 8, 2001	09/05/04	CS120521030	5,851,730	5,208,104	2.93-3.05%	09/15/23
Dec. 5, 2001	01/15/04	CS12052105A	392,384	304,161	2.96%	01/15/24
Dec. 5, 2003	01/15/04	CS12052105L	<u>4,519,117</u>	<u>4,062,107</u>	2.96%	01/15/24
			<u>\$ 28,024,012</u>	<u>\$ 23,499,494</u>		

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.

On October 20, 2005, the City entered into a \$150,000 capital lease with Banc of America Leasing & Capital, LLC for the purchase of golf carts for the City's Mangrove Bay Country Club. The interest rate is 3.68% with monthly interest only for the first year, then principal and interest for the remaining four years.

On February 28, 2006, the City received a \$3,200,000 non-interest bearing loan from a private citizen to complete the construction of the City's Airport terminal. The loan is required to be repaid from a Florida Department of Transportation funding grant. No repayments were made during fiscal year 2006.

On May 19, 2006, the City borrowed \$3.905 million from the Sunshine State Governmental Financing Commission (SSGFC) Commercial Paper Loan Program. The loan funded improvements to the City's Marina. The loan interest is due monthly, principal annually, with final maturity in 2021.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Debt Service requirements at September 30, 2006, were as follows (amounts in 000's):

Year End September 30	<u>Governmental Activities</u>			
	<u>Revenue Bonds</u>		<u>Notes</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 10,820	\$ 5,747	\$ 5,175	\$ 2,024
2008	9,948	5,351	1,125	1,859
2009	12,334	4,986	3,395	1,706
2010	15,950	4,379	2,215	1,648
2011	13,940	3,583	2,305	1,563
2012 – 2016	50,730	9,449	21,134	5,553
2017 – 2021	7,730	2,769	14,221	1,050
2022 - 2026	<u>8,035</u>	<u>914</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 129,487</u>	<u>\$ 37,178</u>	<u>\$ 49,570</u>	<u>\$ 15,403</u>

Revenue bond principal does not include capital appreciation recognized to September 30, 2006 in the amount of \$11,193,000.

Year End September 30	<u>Business Type Activities</u>					
	<u>Water and Wastewater Utility</u>			<u>Stormwater Utility</u>		
	<u>Revenue Bonds</u>		<u>Notes</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 2,330	\$ 7,305	\$ 1,219	\$ 724	\$ 0	\$ 1,044
2008	2,959	7,200	1,258	685	76	1,041
2009	3,082	7,075	1,297	646	78	1,038
2010	3,208	6,945	1,338	605	82	1,034
2011	3,339	6,809	1,380	563	86	1,031
2012 – 2016	18,962	31,706	7,464	2,138	488	5,089
2017 - 2021	20,891	26,940	7,655	905	3,464	4,809
2022 – 2026	21,670	21,935	1,889	75	9,310	2,971
2027 – 2031	32,713	15,696	0	0	6,822	523
2032 – 2035	38,625	6,102	0	0	0	0
2036	<u>10,795</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 158,574</u>	<u>\$ 137,713</u>	<u>\$ 23,500</u>	<u>\$ 6,341</u>	<u>\$20,406</u>	<u>\$ 18,580</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

Year End	<u>Non – Major Business Activities</u>					
	<u>Revenue Bonds</u>		<u>Notes</u>		<u>Capitalized Lease</u>	
<u>September 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ 350	\$ 106	\$ 3,330	\$ 134	\$ 44	\$ 5
2008	370	88	190	129	50	3
2009	390	70	200	122	52	1
2010	415	49	210	115	4	0
2011	440	28	220	107	0	0
2012 – 2016	335	8	1,290	409	0	0
2017 - 2021	<u>0</u>	<u>0</u>	<u>1,665</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 2,300</u>	<u>\$ 349</u>	<u>\$ 7,105</u>	<u>\$ 1,016</u>	<u>\$ 150</u>	<u>\$ 9</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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 09/30/06</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	\$ 4,231,875	\$ 22,896,875
1992 Public Improvement Revenue	44,768,369	15,251,388	1,348,612	0	16,600,000
1990 Utility Tax Refunding Revenue	16,865,211	2,918,248	216,752	0	3,135,000
2002 Utility Tax Refunding Revenue	16,125,000	8,540,000	0	1,143,750	9,683,750
1993 Excise Tax Secured Revenue	114,305,000	65,630,000	0	17,781,038	83,411,038
2003 Professional Sports Facility	27,185,000	25,295,000	0	12,261,756	37,556,756
1997 Capital Improvement Variable Rate Demand Bonds	13,895,000	6,680,000	0	2,108,500	8,788,500
1999A Public Utility Refunding Revenue	51,195,000	51,195,000	0	46,451,728	97,646,728
1999B Public Utility Revenue	49,715,000	32,365,000	0	11,121,746	43,486,746
2003 Public Utility Revenue	45,000,000	45,000,000	0	46,584,387	91,584,387
2005 Public Utility Revenue	<u>50,420,000</u>	<u>50,420,000</u>	<u>0</u>	<u>52,135,238</u>	<u>102,555,238</u>
Total Revenue Bonds	<u>448,138,580</u>	321,959,636	1,565,364	193,820,018	517,345,018
Plus: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		<u>15,417</u>	<u>0</u>	<u>0</u>	<u>15,417</u>
Net Revenue Bonds		<u>321,975,053</u>	<u>1,565,364</u>	<u>193,820,018</u>	<u>517,360,435</u>
Notes:					
1996 FFGFC Note	22,810,000	1,035,000	0	156,300	1,191,300
1997 FFGFC Note	6,350,000	320,000	0	16,800	336,800
1998 FFGFC Note	11,295,000	4,350,000	0	293,520	4,643,520
2001 FFGFC Note	17,840,000	17,445,000	0	5,849,200	23,294,200
1999 Sunshine State Notes	12,180,000	2,825,000	0	321,585	3,146,585
2005 Sunshine State Notes	17,500,000	17,500,000	0	6,466,970	23,966,970
2006 Sunshine State Notes	10,000,000	10,000,000	0	3,466,787	13,466,787
State Revolving Loans	28,024,012	23,499,494	0	6,341,055	29,840,549
Private Citizen Loan	<u>3,200,000</u>	<u>3,200,000</u>	<u>0</u>	<u>0</u>	<u>3,200,000</u>
Total Notes	<u>129,199,012</u>	80,174,494	0	22,912,217	103,086,711
Less: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		<u>(358,605)</u>	<u>0</u>	<u>0</u>	<u>(358,605)</u>
Total Net Notes		<u>79,815,889</u>	<u>0</u>	<u>22,912,217</u>	<u>102,728,106</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

	<u>Original Issue Par</u>	<u>Debt Payable 09/30/06</u>	<u>Accreted Interest To Maturity</u>	<u>Interest Requirements To Maturity</u>	<u>Total</u>
Capital Lease					
2006 Banc of America	<u>\$ 150,000</u>	<u>\$ 150,000</u>	\$ 0	<u>\$ 9,123</u>	<u>\$ 159,123</u>
Total Capital Lease	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>0</u>	<u>\$ 9,123</u>	<u>\$ 159,123</u>
 Total All Bonds, Notes and Capital Leases		<u>\$401,940,942</u>	<u>\$ 1,565,364</u>	<u>\$216,741,358</u>	<u>\$620,247,664</u>

Bonds outstanding at September 30, 2006, mature in varying amounts during succeeding fiscal years through 2035. Interest rates are as follows: 2.0% to 7.0% on Revenue Bonds, and 3.10% to 6.00% 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 2.62% to 5.63%.

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, 2006, the City believes it is in compliance with these requirements.

The City's 1997 Capital Improvement Variable Rate Demand Bonds (CIVRD), and the 1999, 2005, and 2006 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 City's Downtown Redevelopment District non-major special revenue fund was extended through 2032 with the amendment of an interlocal agreement between Pinellas County and the City. The district is the primary funding source for the outstanding 1992 Public Improvement Revenue Bonds, the 2001 Public Improvement Revenue Bonds, the 2005 Sunshine State Financing Commission Notes, and \$2.84 million of the 2006 Sunshine State Notes.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

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: Series A – BNS (9/01/2007) Series D – Dexia (10/11/2010) Series E – SunTrust (4/02/2009) Series F – DEPFA (12/31/2015) Series H - JP Morgan (9/16/2007) Series I – DEPFA (12/31/2015) Series J – DEPFA (12/31/2015)
Type	Line	Line of Credit – Loans (Insured & Uninsured)
Initial Renewal	Not applicable	Varies by Facility
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	11 to 15 Basis Points – (payable quarterly in arrears)
Base	Bonds Outstanding 50 days @ 13%	Par Amount of Notes Outstanding
Effective Rate	Not Applicable	12.5 Basis Points Blended Rate (as of 9/30/06)
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%
Right to Accelerate	Yes (1)	Yes (1)
Banks:		
Name	Sun Trust Bank	The Bank of Nova Scotia (BNS) DEPFA Bank, plc (DEPFA) Dexia Credit Local (Dexia) JP Morgan/Chase (JP Morgan) SunTrust 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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)

	1997 Capital Improvement Variable <u>Rate Demand Bonds</u>	Sunshine State Governmental Financing Pool <u>Commercial Paper Program</u>
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	Not applicable	Ambac Assurance Corporation
Insurance Companies	Not applicable	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	4.0 to 6.0 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, 2006, is as follows:

Governmental Activities:	
Parking Special Revenue Fund	\$ 1,006
General Capital Improvement Fund	<u>82,121</u>
Total	<u>\$ 83,137</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006, 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, 2006, the following outstanding bonds are considered defeased:

Revenue Bonds:	
Utility Tax Secured - Series 1978	\$ 17,770,000
Notes: FFGFC - Series 1996	<u>1,820,000</u>
Total Governmental Activities	<u>\$ 19,590,000</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006, is shown below:

	Water and Wastewater				
	<u>Utility</u>	<u>Stormwater</u>	<u>Airport</u>	<u>Marina</u>	<u>Golf Courses</u>
Interest Paid on Bonds	\$ 5,785,430	\$ 1,045,736	\$ 75,451	\$ 41,128	\$ 4,600
Less:					
Accrued Interest 9/30/05	(2,675,458)	(522,868)	0	0	0
Plus:					
Accrued Interest 9/30/06	3,750,657	522,868	0	0	0
Interest Expense State Revolving Loan	757,508	0	0	0	0
Amortization of Deferred Loss on Bond Refunding	<u>170,118</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Interest Cost	7,788,255	1,045,736	75,451	41,128	4,600
Less:					
Capitalized Interest	<u>(3,686,000)</u>	<u>(1,045,736)</u>	<u>(39,000)</u>	<u>0</u>	<u>0</u>
Net Interest Expense on Debt	<u>\$ 4,102,255</u>	<u>\$ 0</u>	<u>\$ 36,451</u>	<u>\$ 41,128</u>	<u>\$ 4,600</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	\$ 6,527,691
Revenue bond future debt service account	75,834
Bond proceeds for construction	50,641,334
Available for all other qualified purposes	<u>218,351</u>
Total	<u>\$57,463,210</u>

NOTE 18 - DEFICIT NET ASSETS

At September 30, 2006, there are no accumulated deficits in any funds.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006.

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. The valuation for 2006 will be reflected in fiscal year 2007.

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.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 19 - RISK MANAGEMENT - (Continued)

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.

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</u> <u>Liability</u>	<u>Total</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	12,336,000	6,528,000	18,864,000
Paid Claims	(2,689,947)	(865,248)	(3,555,195)
Incurred Claims	<u>2,689,947</u>	<u>806,248</u>	<u>3,496,195</u>
Balance 9/30/06	<u>\$ 12,336,000</u>	<u>\$ 6,469,000</u>	<u>\$ 18,805,000</u>

Current portion of claims liabilities was \$4,332,000 for 2006. Incurred but not paid claims for 2006 will be reported in the actuarial valuation due in 2007. Therefore in 2006 paid and incurred claims are equal, except for additional reductions in legal liability claims.

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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006.

	Employees Retirement <u>Fund</u>	Fire Pension <u>Fund</u>	Police Pension <u>Fund</u>	<u>Total</u>
ASSETS				
Cash and Cash Equivalents				
Checking Account	\$ 13,007	\$ 1,170,174	\$ 1,500,214	\$ 2,683,395
Trustee Accounts	<u>10,045,122</u>	<u>2,435,155</u>	<u>4,322,782</u>	<u>16,803,059</u>
Total Cash and Cash Equivalents	<u>10,058,129</u>	<u>3,605,329</u>	<u>5,822,996</u>	<u>19,486,454</u>
Receivables				
Unsettled Investment Sales	1,694,430	375,120	2,078,659	4,148,209
Interest and Dividends	<u>1,266,308</u>	<u>792,706</u>	<u>1,066,491</u>	<u>3,125,505</u>
Total Receivables	<u>2,960,738</u>	<u>1,167,826</u>	<u>3,145,150</u>	<u>7,273,714</u>
Investments, at Fair Value				
Government Securities	41,487,020	20,515,982	45,036,646	107,039,648
Corporate Bonds	61,379,455	34,173,874	29,338,323	124,891,652
Common and Preferred Stock	<u>121,760,868</u>	<u>100,009,435</u>	<u>182,325,034</u>	<u>404,095,337</u>
Total Investments	<u>224,627,343</u>	<u>154,699,291</u>	<u>256,700,003</u>	<u>636,026,637</u>
TOTAL ASSETS	<u>237,646,210</u>	<u>159,472,446</u>	<u>265,668,149</u>	<u>662,786,805</u>
LIABILITIES				
Payables				
Accounts	14,188	0	11,140	25,328
Deferred Retirement Option Plan	0	3,163,364	0	3,163,364
Unsettled Investment Purchases	<u>1,600,422</u>	<u>526,635</u>	<u>2,004,789</u>	<u>4,131,846</u>
TOTAL LIABILITIES	<u>1,614,610</u>	<u>3,689,999</u>	<u>2,015,929</u>	<u>7,320,538</u>
NET ASSETS				
Held in Trust for Pension Benefits	<u>\$ 236,031,600</u>	<u>\$ 155,782,447</u>	<u>\$ 263,652,220</u>	<u>\$ 655,466,267</u>

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

	Employees Retirement <u>Fund</u>	Fire Pension <u>Fund</u>	Police Pension <u>Fund</u>	<u>Total</u>
ADDITIONS				
Contributions				
Employer (Charges to Other Funds)	\$ 12,111,768	\$ 8,652,168	\$ 10,275,702	\$ 31,039,638
Employees	1,434,406	1,035,823	1,861,426	4,331,655
State Insurance Fund (1)	<u>0</u>	<u>2,502,075</u>	<u>3,221,107</u>	<u>5,723,182</u>
Total Contributions	<u>13,546,174</u>	<u>12,190,066</u>	<u>15,358,235</u>	<u>41,094,475</u>
Investment Income				
Net Appreciation in Fair Value of Investments	7,932,704	7,966,474	14,824,082	30,723,260
Interest on Investments	5,081,045	3,027,841	3,714,161	11,823,047
Dividends on Stock	<u>2,141,106</u>	<u>1,282,242</u>	<u>2,491,046</u>	<u>5,914,394</u>
Total Investment Income	15,154,855	12,276,557	21,029,289	48,460,701
Less Investment Expense	<u>855,089</u>	<u>495,469</u>	<u>951,041</u>	<u>2,301,599</u>
Net Investment Income	<u>14,299,766</u>	<u>11,781,088</u>	<u>20,078,248</u>	<u>46,159,102</u>
TOTAL ADDITIONS	<u>27,845,940</u>	<u>23,971,154</u>	<u>35,436,483</u>	<u>87,253,577</u>
DEDUCTIONS				
Benefits	9,764,951	10,077,973	13,006,122	32,849,046
Deferred Retirement Option Payouts	1,097,380	0	355,102	1,452,482
DROP Contributions	0	1,856,255	0	1,856,255
DROP Earnings	0	137,306	0	137,306
Refund of Contributions	254,904	29,776	0	284,680
Interest on Contributions Refunded	384	0	0	384
Administrative Expenses	<u>1,118</u>	<u>1,979</u>	<u>2,152</u>	<u>5,249</u>
TOTAL DEDUCTIONS	<u>11,118,737</u>	<u>12,103,289</u>	<u>13,363,376</u>	<u>36,585,402</u>
CHANGE IN NET ASSETS	16,727,203	11,867,865	22,073,107	50,668,175
 NET ASSETS - OCTOBER	 <u>219,304,397</u>	 <u>143,914,582</u>	 <u>241,579,113</u>	 <u>604,798,092</u>
 NET ASSETS – SEPTEMBER 30	 <u>\$ 236,031,600</u>	 <u>\$ 155,782,447</u>	 <u>\$263,652,220</u>	 <u>\$655,466,267</u>

(1) Due to a delay in receipt of the 2005 State of Florida Insurance premium rebate, received in 2006 fiscal year, the State contributions reflects amounts received for fiscal years 2005 and 2006.

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006, is approximately \$156.6 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, 2006.

	<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	\$ 70,010,221	\$ 15,336,409	\$ 27,537,408
Internal Loans	None	None	None
Non-governmental 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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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	60	999	254	131	251	196
Terminated Employees Entitled to But Not Yet Receiving Benefits	0	259	0	13	0	29
Current Active Employees	0	1,798	0	285	0	493
Drop Plan Participants	<u>0</u>	<u>68</u>	<u>8</u>	<u>42</u>	<u>0</u>	<u>13</u>
Total Members	<u>60</u>	<u>3,124</u>	<u>262</u>	<u>471</u>	<u>251</u>	<u>731</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% (8)
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%	65%	60%	60%	60%	60%
	(5)	(5)		(5) (9)		(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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006 were made in accordance with requirements determined by actuarial valuations of the plans as of October 1, 2005. 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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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

The current year and the 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		
10/01/05	9/30/06	\$ 70,010,221	\$12,111,768	17.3%	\$ 12,111,768	100%
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%

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
10/01/05	9/30/06	\$ 15,336,409	\$ 11,154,243	72.7%	\$ 8,652,168	\$ 2,502,075	\$ 11,154,243	100%
10/01/04	9/30/05	15,991,000	10,176,806	63.6%	10,177,000	0 (1)	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%

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

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
10/01/05	9/30/06	\$ 27,537,408	\$ 13,496,809	49.0%	\$ 10,275,702	\$ 3,221,107	\$ 13,496,804	100%
10/01/04	9/30/05	25,896,000	13,012,822	50.3%	13,012,996	0 (1)	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%

(1) 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

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

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, 2006, the rate was 11% of pre-deferral salary. The total City contribution to the 401a plan was \$1,011,498 or 11% of covered payroll. For the fiscal year ended September 30, 2006, payroll covered by this plan was \$10,013,618 compared to the total City payroll of approximately \$156.6 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, 2006, participants and amounts deferred in the DROP plans are as follows:

	<u>Participants</u>	<u>Pension</u>
Fire	42	<u>\$ 3,163,364</u>
		Custodial Assets
General Employees	68	<u>\$ 3,610,530</u>
Police	13	<u>\$ 1,812,557</u>

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 and vision care group plans are 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

CITY OF ST. PETERSBURG, FLORIDA

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2006**

NOTE 21 - POST-RETIREMENT HEALTH AND LIFE INSURANCE BENEFITS – (Continued)

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. The Governmental Accounting Standards Board (GASB) issued statement Number 45 dealing with accounting and financial reporting by employers for post employment benefits other than pensions. The City is in the process of completing an actuarial study of the accounting and financial effects of statement 45. The City intends to implement statement 45 for fiscal year ended September 30, 2008.

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, 2006, the cost of retiree health care for 1,058 participants was \$5,315,933, of which \$2,162,154 was paid by the retirees. The City offers vision, dental and AD&D policies 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 October 24, 2006, the City issued, on a competitive basis, \$52,550,000 of Public Utility Refunding Revenue Bonds, Series 2006. The bonds were issued to refund \$50,425,000 of Public Utility Revenue Bonds, Series 1999A. The bonds will mature on October 1, 2028, with a net true interest rate of 4.40% and a present value savings of 4.44%. The total cash flow savings was \$3,757,000.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF ST. PETERSBURG, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2006
(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
10/01/06 (1)						
10/01/05	\$ 203,725,000	\$ 223,660,000	\$ 19,935,000	91.1%	\$ 72,188,000	27.6%
10/01/04	193,116,000	214,024,000	20,908,000	90.2 %	67,971,000	30.8%
10/01/03	188,252,000	209,991,000	21,739,000	89.6%	66,092,000	32.9%
10/01/02	169,555,000	191,779,000	22,224,000	88.4%	63,044,000	35.3%
10/01/01	179,077,000	203,534,000	24,457,000	88.0%	60,635,000	40.3%

(1) Actuarial valuation for 2006 will not be available until May 2007.

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		
10/01/05	9/30/06	\$ 70,010,221	\$ 12,111,768	17.3%	\$ 12,111,768	100%
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%
10/01/01	9/30/02	60,635,042	4,942,849	8.2%	4,942,849	100%

(1) Began prospective valuations.

CITY OF ST. PETERSBURG, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2006
(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
10/01/06 (1)						
10/01/05	\$ 139,369,000	\$ 208,262,000	\$ 68,893,000	66.9%	\$ 15,825,000	435.3%
10/01/04	130,415,000	202,161,000	71,746,000	64.5%	14,747,000	486.5%
10/01/03	127,768,000	194,637,000	66,869,000	65.6%	15,376,000	434.9%
10/01/02	121,887,000	176,475,000	54,588,000	69.1%	14,232,000	383.6%
10/01/01	120,913,000	170,127,000	49,214,000	71.1%	13,275,000	370.7%

(1) Actuarial valuation for 2006 will not be available until May 2007.

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
10/1/05	9/30/06	\$ 15,336,409	\$11,154,243	72.7%	\$ 8,652,168	\$2,502,075	\$ 11,154,243	100%
10/1/04	9/30/05	15,991,000	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%

(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
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2006
(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
10/1/06 (1)						
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	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%

(1) Actuarial valuation for 2006 will not be available until May 2007.

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
10/1/05	9/30/06	\$27,537,408	\$13,496,809	49.0%	\$ 10,275,702	\$ 3,221,107	\$ 13,496,809	100%
10/1/04	9/30/05	25,896,000	13,012,822	50.3%	13,012,996 (2)	0 (2)	13,012,996	100%
10/1/03	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%

(1) Change in Actuarial Assumptions 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.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

CITY OF ST. PETERSBURG, FLORIDA

Non-major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are 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.

Community Redevelopment Districts - This fund is used to account for all tax increment revenues received from Pinellas County and the City for three currently active Community Redevelopment Districts.

Downtown Redevelopment District - This fund accounts for revenues received from the Community Redevelopment Districts fund related to the Downtown Community Redevelopment District (DCRD). Transfers to debt service funds relate to DCRD debt obligations with remaining fund balances restricted to DCRD activities.

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

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.

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.

CITY OF ST. PETERSBURG, FLORIDA

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.

Weeki Wachee Fund – This fund is used to account for various recreational projects funded by transfers from the Weeki Wachee special revenue fund.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the city's programs.

Library Trust - This fund is used to account for principal trust amounts received and related interest income. The interest portion of the trust is to be used for library purposes.

CITY OF ST. PETERSBURG, FLORIDA

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
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2006**

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 11,864,549	\$ 12,448,956	\$ 11,147,349	\$ 334,905	\$ 35,795,759
Investments	7,550,388	0	15,755,515	0	23,305,903
Trustee Accounts					
Cash and Cash Equivalents	215,304	709,562	155,568	0	1,080,434
Investments	13,718,970	850,456	0	127,208	14,696,634
Receivables					
Accounts	554,194	0	120,007	0	674,201
Taxes	1,928,045	0	0	0	1,928,045
Accrued Interest	114,446	6,169	246,839	0	367,454
Notes	819,885	0	113,867	0	933,752
Assessments	391,450	0	0	0	391,450
Due From Other Governmental Agencies					
Grants and Cost Reimbursement	65,392	0	1,164,020	0	1,229,412
Pinellas County - Fines	4,937	0	0	0	4,937
Pinellas County - Services	0	0	0	0	0
Inventory	63,710	0	0	0	63,710
Prepaid Costs and Deposits	154,973	0	466	0	155,439
Restricted Assets					
Cash and Cash Equivalents	0	0	4,477,367	0	4,477,367
Other Assets	0	0	593	0	593
TOTAL ASSETS	\$ 37,446,243	\$ 14,015,143	\$ 33,181,591	\$ 462,113	\$ 85,105,090
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Vouchers and Accounts Payable	\$ 594,209	\$ 0	\$ 850,211	\$ 0	\$ 1,444,420
Accrued Salaries	241,984	0	0	0	241,984
Other Accrued Liabilities	161,611	0	5,558	0	167,169
Due to Other Governmental Agencies	33,543	0	82,122	0	115,665
Retainage on Contracts	0	0	388,871	0	388,871
Due to Other Funds	165,000	0	130,000	0	295,000
Deposits	614,852	0	0	0	614,852
Deferred Revenues					
Notes Receivable	819,885	0	113,867	0	933,752
Assessments Receivable	391,449	0	0	0	391,449
Other	246,223	0	0	0	246,223
TOTAL LIABILITIES	3,268,756	0	1,570,629	0	4,839,385
FUND BALANCES					
Reserved					
Encumbrances	147,676	0	2,648,133	0	2,795,809
Inventory, Prepaid Costs and Deposits	218,683	0	466	0	219,149
Debt Service	0	14,015,143	0	0	14,015,143
Capital Improvements	44,163	0	0	0	44,163
Library	0	0	0	305,216	305,216
Palm Arboretum	0	0	0	127,208	127,208
Fire Rescue and EMS Awards	0	0	0	29,689	29,689
Unreserved					
Special Revenue Funds					
Designated for Loan Guarantees	167,300	0	0	0	167,300
Designated for Handicapped Parking	164,728	0	0	0	164,728
Designated for Park Preservation	14,481,942	0	0	0	14,481,942
Designated for Miscellaneous Trust Funds	2,046,509	0	0	0	2,046,509
Designated for Park Maintenance	0	0	0	0	0
Designated for Capital Assets	1,689,078	0	0	0	1,689,078
Undesignated	15,217,408	0	0	0	15,217,408
Capital Project Funds					
Designated for Loan Guarantees	0	0	0	0	0
Designated for Capital Projects	0	0	24,990,532	0	24,990,532
Undesignated	0	0	3,971,831	0	3,971,831
TOTAL FUND BALANCES	34,177,487	14,015,143	31,610,962	462,113	80,265,705
TOTAL LIABILITIES AND FUND BALANCES	\$ 37,446,243	\$ 14,015,143	\$ 33,181,591	\$ 462,113	\$ 85,105,090

See accompanying Independent Auditor's Report.

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	PERMANENT FUNDS	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 18,440,168	\$ 0	\$ 0	\$ 0	\$ 18,440,168
Fines and Forfeitures	1,408,029	0	0	0	1,408,029
Charges for Services, User's Fees and Sales	15,140,262	0	13,903	0	15,154,165
Intergovernmental Revenues					
Federal and State Grants	296,944	0	1,788,183	0	2,085,127
State - Sales Tax	2,000,004	0	0	0	2,000,004
State - Housing Improvement Program	2,346,040	0	0	0	2,346,040
State - Firefighters Supplement	16,945	0	0	0	16,945
Pinellas County - Tax Increment	3,539,967	0	0	0	3,539,967
Pinellas County - Pedestrian Improvement Program	0	0	70,158	0	70,158
Total	8,199,900	0	1,858,341	0	10,058,241
Use of Money and Property					
Earnings on Investments	837,147	449,897	1,382,302	28,403	2,697,749
Securities Lending Income	288,690	0	454,902	0	743,592
Rentals	2,271,901	0	0	0	2,271,901
Total	3,397,738	449,897	1,837,204	28,403	5,713,242
Miscellaneous Revenue					
Assessments	72,431	0	682,881	0	755,312
Disposition of Property	11,513	0	0	0	11,513
Contributions	732,607	0	227,836	15,075	975,518
Other	1,298,218	0	595,705	0	1,893,923
Total	2,114,769	0	1,506,422	15,075	3,636,266
TOTAL REVENUES	48,700,866	449,897	5,215,870	43,478	54,410,111
EXPENDITURES					
Current Operations					
General Governmental	0	0	500	0	500
Community & Economic Development	2,215,089	0	818,966	0	3,034,055
Public Works	3,550,544	0	288,775	0	3,839,319
Public Safety	9,859,871	0	0	2,000	9,861,871
Recreation & Culture	8,944,086	0	586	0	8,944,672
Securities Lending					
Interest	279,535	0	441,850	0	721,385
Agent Fees	3,662	0	5,221	0	8,883
Debt Service					
Principal Payments	0	18,145,000	3,000,000	0	21,145,000
Interest Payments	0	7,958,192	0	0	7,958,192
Remarketing and Other Fees	0	58,341	0	0	58,341
Bond Costs	0	0	54,124	0	54,124
Capital Outlay	1,417,852	0	21,094,304	0	22,512,156
TOTAL EXPENDITURES	26,270,639	26,161,533	25,704,326	2,000	78,138,498
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	22,430,227	(25,711,636)	(20,488,456)	41,478	(23,728,387)
OTHER FINANCING SOURCES (USES)					
Transfers In					
General Fund	8,497,313	4,356,591	5,471,000	0	18,324,904
Special Revenue Funds	7,301,203	20,305,802	2,113,717	0	29,720,722
Capital Projects Funds	655,800	1,411,504	320,000	0	2,387,304
Internal Service Funds	0	0	100,000	0	100,000
Permanent Funds	17,570	0	0	0	17,570
Total Transfers In	16,471,886	26,073,897	8,004,717	0	50,550,500
Transfers Out					
General Fund	(16,485,207)	0	0	0	(16,485,207)
Special Revenue Funds	(7,301,203)	0	(655,800)	0	(7,957,003)
Debt Service Funds	(9,206,880)	0	(251,504)	0	(9,458,384)
Capital Projects Funds	(1,810,717)	0	(320,000)	(17,570)	(2,148,287)
Total Transfers Out	(34,804,007)	0	(1,227,304)	(17,570)	(36,048,881)
Issuance of Debt	0	0	7,593,145	0	7,593,145
TOTAL OTHER FINANCING SOURCES (USES)	(18,332,121)	26,073,897	14,370,558	(17,570)	22,094,764
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	4,098,106	362,261	(6,117,898)	23,908	(1,633,623)
FUND BALANCES - OCTOBER 1	30,079,381	13,652,882	37,728,860	438,205	81,899,328
FUND BALANCE - SEPTEMBER 30	\$ 34,177,487	\$ 14,015,143	\$ 31,610,962	\$ 462,113	\$ 80,265,705

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2006**

	WEEKI WACHEE	FRANCHISE TAX	PROFESSIONAL SPORTS FACILITY SALES TAX	COMMUNITY REDEVELOPMENT DISTRICTS
ASSETS				
Cash and Cash Equivalents	\$ 529,530	\$ 2,126,001	\$ 30,312	\$ 563,823
Investments	727,268	0	0	0
Trustee Accounts				
Cash and Cash Equivalents	210,732	0	0	0
Investments	13,496,541	0	0	0
Receivables				
Accounts	0	0	0	0
Taxes	0	1,928,045	0	0
Accrued Interest	13,376	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
TOTAL ASSETS	\$ 14,977,447	\$ 4,054,046	\$ 30,312	\$ 563,823
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 16,452	\$ 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
TOTAL LIABILITIES	16,452	0	0	0
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 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 Capital Assets	0	0	0	0
Undesignated	479,053	4,054,046	30,312	563,823
TOTAL FUND BALANCES	14,960,995	4,054,046	30,312	563,823
TOTAL LIABILITIES AND FUND BALANCES	\$ 14,977,447	\$ 4,054,046	\$ 30,312	\$ 563,823

See accompanying Independent Auditor's Report.

<u>DOWNTOWN REDEVELOPMENT DISTRICT</u>	<u>ASSESSMENTS COLLECTION</u>	<u>PARKING</u>	<u>LOCAL LAW ENFORCEMENT TRUST</u>	<u>LOCAL LAW ENFORCEMENT BLOCK GRANT</u>	<u>EMERGENCY MEDICAL SERVICES</u>
\$ 254,217	\$ 185,339	\$ 157,598	\$ 344,661	\$ 6,283	\$ 1,154,444
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	173,694	0	0	100,323
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	391,450	0	0	0	0
0	0	0	0	0	65,392
0	0	4	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	11,231	0	0
<u>\$ 254,217</u>	<u>\$ 576,789</u>	<u>\$ 331,296</u>	<u>\$ 355,892</u>	<u>\$ 6,283</u>	<u>\$ 1,320,159</u>
\$ 0	\$ 0	\$ 37,700	\$ 5,099	\$ 3,770	\$ 7,486
0	0	32,430	0	0	190,878
0	0	0	0	0	0
0	0	11,742	5,000	0	0
0	0	0	0	0	0
0	0	33,797	182,874	0	0
0	0	0	0	0	0
0	391,449	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>391,449</u>	<u>115,669</u>	<u>192,973</u>	<u>3,770</u>	<u>198,364</u>
0	0	6,736	10	0	5,198
0	0	0	11,231	0	0
0	0	44,163	0	0	0
0	0	0	0	0	0
0	0	164,728	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
254,217	185,340	0	151,678	2,513	1,116,597
<u>254,217</u>	<u>185,340</u>	<u>215,627</u>	<u>162,919</u>	<u>2,513</u>	<u>1,121,795</u>
<u>\$ 254,217</u>	<u>\$ 576,789</u>	<u>\$ 331,296</u>	<u>\$ 355,892</u>	<u>\$ 6,283</u>	<u>\$ 1,320,159</u>

CITY OF ST. PETERSBURG, FLORIDA
COMBINING BALANCE SHEET (Continued)
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2006

	ECONOMIC DEVELOPMENT	LOCAL HOUSING ASSISTANCE TRUST	TROPICANA FIELD	BAYFRONT CENTER
ASSETS				
Cash and Cash Equivalents	\$ 42,448	\$ 684,716	\$ 2,519,181	\$ 779,101
Investments	0	6,823,120	0	0
Trustee Accounts				
Cash and Cash Equivalents	0	0	0	0
Investments	0	0	0	0
Receivables				
Accounts	0	0	171,606	50,397
Taxes	0	0	0	0
Accrued Interest	0	96,728	0	0
Notes	0	819,885	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	19,142
Prepaid Costs and Deposits	0	0	0	74,136
	<u>0</u>	<u>0</u>	<u>0</u>	<u>74,136</u>
TOTAL ASSETS	\$ <u>42,448</u>	\$ <u>8,424,449</u>	\$ <u>2,690,787</u>	\$ <u>922,776</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 0	\$ 65,181	\$ 0	\$ 308,964
Accrued Salaries	0	0	0	0
Other Accrued Liabilities	0	0	0	125,082
Due to Other Governmental Agencies	0	0	4,084	0
Due to Other Funds	32,000	0	0	0
Deposits	0	6,068	0	157,423
Deferred Revenues				
Notes Receivable	0	819,885	0	0
Assessments Receivable	0	0	0	0
Other	0	0	0	237,985
	<u>0</u>	<u>0</u>	<u>0</u>	<u>237,985</u>
TOTAL LIABILITIES	<u>32,000</u>	<u>891,134</u>	<u>4,084</u>	<u>829,454</u>
FUND BALANCES				
Reserved for Encumbrances	0	5,235	0	0
Reserved or Prepaid Costs and Inventory	0	0	0	93,278
Reserved for Capital Improvements	0	0	0	0
Unreserved				
Designated for Vested Accrued Leave	0	0	0	0
Designated for Loan Guarantees	0	167,300	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 Capital Assets	0	0	1,689,078	0
Undesignated	10,448	7,360,780	997,625	44
	<u>10,448</u>	<u>7,360,780</u>	<u>997,625</u>	<u>44</u>
TOTAL FUND BALANCES	<u>10,448</u>	<u>7,533,315</u>	<u>2,686,703</u>	<u>93,322</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ <u>42,448</u>	\$ <u>8,424,449</u>	\$ <u>2,690,787</u>	\$ <u>922,776</u>

See accompanying Independent Auditor's Report.

PIER	COLISEUM	SUNKEN GARDENS	MISCELLANEOUS TRUSTS	TOTAL
\$ 139,977	\$ 176,739	\$ 192,696	\$ 1,977,483	\$ 2,486,895
0	0	0	0	0
0	0	0	4,572	4,572
0	0	0	222,429	222,429
14,234	14,553	29,331	56	58,174
0	0	0	0	0
0	0	0	4,342	4,342
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	4,933	4,933
0	0	0	0	0
0	13,586	30,982	0	44,568
63,274	800	5,496	36	69,606
<u>\$ 217,485</u>	<u>\$ 205,678</u>	<u>\$ 258,505</u>	<u>\$ 2,213,851</u>	<u>\$ 2,895,519</u>

\$ 66,324	\$ 18,946	\$ 28,073	\$ 36,214	\$ 149,557
0	7,355	9,827	1,494	18,676
36,529	0	0	0	36,529
5,695	604	5,891	527	12,717
0	68,000	65,000	0	133,000
44,897	92,088	97,705	0	234,690
0	0	0	0	0
0	0	0	0	0
0	434	7,804	0	8,238
<u>153,445</u>	<u>187,427</u>	<u>214,300</u>	<u>38,235</u>	<u>593,407</u>
0	0	1,426	129,071	130,497
63,274	14,386	36,478	36	114,174
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	2,046,509	2,046,509
0	0	0	0	0
766	3,865	6,301	0	10,932
<u>64,040</u>	<u>18,251</u>	<u>44,205</u>	<u>2,175,616</u>	<u>2,302,112</u>
<u>\$ 217,485</u>	<u>\$ 205,678</u>	<u>\$ 258,505</u>	<u>\$ 2,213,851</u>	<u>\$ 2,895,519</u>

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	WEEKI WACHEE	FRANCHISE TAX	PROFESSIONAL SPORTS FACILITY SALES TAX	COMMUNITY REDEVELOPMENT DISTRICTS
REVENUES				
Taxes	\$ 0	\$ 18,440,168	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User's Fees and Sales	3,331	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	3,539,967
Total	0	0	2,000,004	3,539,967
Use of Money and Property				
Earnings on Investments	284,246	0	19,128	22,376
Securities Lending Income	123,430	0	0	0
Rentals	0	0	0	0
Total	407,676	0	19,128	22,376
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	411,007	18,440,168	2,019,132	3,562,343
EXPENDITURES				
Current Operations				
Community & Economic Development	0	0	0	0
Public Works	0	0	0	0
Public Safety	0	0	0	0
Recreation & Culture	23,176	0	0	0
Securities Lending				
Interest	118,935	0	0	0
Agent Fees	1,798	0	0	0
Capital Outlay	0	0	0	0
TOTAL EXPENDITURES	143,909	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	267,098	18,440,168	2,019,132	3,562,343
OTHER FINANCING SOURCES (USES)				
Transfers In				
General Fund	0	0	0	4,006,313
Special Revenue Fund	0	0	0	0
Capital Projects Fund	555,800	0	0	0
Permanent Fund	0	0	0	0
Total Transfers In	555,800	0	0	4,006,313
Transfers Out				
General Fund	(247,710)	(16,207,497)	0	0
Special Revenue Fund	0	0	0	(7,286,330)
Debt Service Fund	0	0	(2,174,595)	0
Capital Projects Fund	(828,275)	0	0	0
Total Transfers Out	(1,075,985)	(16,207,497)	(2,174,595)	(7,286,330)
TOTAL OTHER FINANCING SOURCES (USES)	(520,185)	(16,207,497)	(2,174,595)	(3,280,017)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(253,087)	2,232,671	(155,463)	282,326
FUND BALANCES (DEFICIT) - OCTOBER 1	15,214,082	1,821,375	185,775	281,497
FUND BALANCE - SEPTEMBER 30	\$ 14,960,995	\$ 4,054,046	\$ 30,312	\$ 563,823

See accompanying Independent Auditor's Report.

DOWNTOWN REDEVELOPMENT DISTRICT	ASSESSMENTS COLLECTION	PARKING	LOCAL LAW ENFORCEMENT TRUST	LOCAL LAW ENFORCEMENT BLOCK GRANT	EMERGENCY MEDICAL SERVICES
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	959,364	386,195	0	0
0	0	2,754,159	0	0	9,381,467
0	0	0	0	197,703	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	16,945
0	0	0	0	0	0
0	0	0	0	197,703	16,945
17,729	47,768	37,284	4,062	4,736	45,306
0	0	0	0	0	0
0	0	61,943	0	0	0
17,729	47,768	99,227	4,062	4,736	45,306
0	72,431	0	0	0	0
0	0	1,261	0	0	8,705
0	0	10,181	0	0	0
0	0	7,592	0	3,288	180
0	72,431	19,034	0	3,288	8,885
17,729	120,199	3,831,784	390,257	205,727	9,452,603
0	121,032	0	0	0	0
0	0	3,550,544	0	0	0
0	0	0	136,820	212,241	9,489,805
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	117,928	444,885	24,065	55,500
0	121,032	3,668,472	581,705	236,306	9,545,305
17,729	0	(833)	163,312	(191,448)	(30,579)
0	0	0	0	0	0
7,286,330	0	0	90	14,783	0
0	0	0	100,000	0	0
0	0	0	0	0	0
7,286,330	0	0	100,090	14,783	0
0	0	(30,000)	0	0	0
0	0	0	(14,783)	(90)	0
(6,997,113)	0	(35,172)	0	0	0
0	(47,060)	(400,000)	0	0	0
(6,997,113)	(47,060)	(465,172)	(14,783)	(90)	0
289,217	(47,060)	(465,172)	85,307	14,693	0
306,946	(47,893)	(301,860)	(106,141)	(15,886)	(92,702)
(52,729)	233,233	517,487	269,060	18,399	1,214,497
\$ 254,217	\$ 185,340	\$ 215,627	\$ 162,919	\$ 2,513	\$ 1,121,795

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (Continued)
NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	Sub Total from F-9	ECONOMIC DEVELOPMENT	LOCAL HOUSING ASSISTANCE TRUST	TROPICANA FIELD	BAYFRONT CENTER
REVENUES					
Taxes	\$ 18,440,168	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	\$ 1,345,559	0	304	0	0
Charges for Services, User's Fees and Sales	\$ 12,138,957	0	0	0	517,376
Intergovernmental Revenues					
Federal and State Grants	\$ 197,703	99,241	0	0	0
State - Sales Tax	\$ 2,000,004	0	0	0	0
State - Housing Improvement Program	\$ 0	0	2,346,040	0	0
State - Firefighters Supplement	\$ 16,945	0	0	0	0
Pinellas County - Tax Increment	\$ 3,539,967	0	0	0	0
Total	\$ 5,754,619	99,241	2,346,040	0	0
Use of Money and Property					
Earnings on Investments	\$ 482,635	113	143,177	90,593	6,340
Securities Lending Income	\$ 123,430	0	165,260	0	0
Rentals	\$ 61,943	0	0	1,221,285	0
Total	\$ 668,008	113	308,437	1,311,878	6,340
Miscellaneous Revenue					
Assessments	\$ 72,431	0	0	0	0
Disposition of Property	\$ 9,966	0	0	0	0
Contributions	\$ 10,181	0	0	0	0
Other	\$ 11,060	0	1,163,084	0	33,633
Total	\$ 103,638	0	1,163,084	0	33,633
TOTAL REVENUES	\$ 38,450,949	99,354	3,817,865	1,311,878	557,349
EXPENDITURES					
Current Operations					
Community & Economic Development	\$ 121,032	102,037	1,992,020	0	0
Public Works	\$ 3,550,544	0	0	0	0
Public Safety	\$ 9,838,866	0	0	0	0
Recreation & Culture	\$ 23,176	0	0	1,368,967	2,158,367
Securities Lending					
Interest	\$ 118,935	0	160,600	0	0
Agent Fees	\$ 1,798	0	1,864	0	0
Capital Outlay	\$ 642,378	1,158	0	454,878	56,271
TOTAL EXPENDITURES	\$ 14,296,729	103,195	2,154,484	1,823,845	2,214,638
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	\$ 24,154,220	(3,841)	1,663,381	(511,967)	(1,657,289)
OTHER FINANCING SOURCES (USES)					
Transfers In					
General Fund	\$ 4,006,313	0	0	600,000	1,677,000
Special Revenue Fund	\$ 7,301,203	0	0	0	0
Capital Projects Fund	\$ 655,800	0	0	0	0
Permanent Fund	\$ 0	0	0	0	0
Total Transfers In	\$ 11,963,316	0	0	600,000	1,677,000
Transfers Out					
General Fund	\$ (16,485,207)	0	0	0	0
Special Revenue Fund	\$ (7,301,203)	0	0	0	0
Debt Service Fund	\$ (9,206,880)	0	0	0	0
Capital Projects Fund	\$ (1,275,335)	0	0	0	0
Total Transfers Out	\$ (34,268,625)	0	0	0	0
TOTAL OTHER FINANCING SOURCES (USES)	\$ (22,305,309)	0	0	600,000	1,677,000
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	\$ 1,848,911	(3,841)	1,663,381	88,033	19,711
FUND BALANCES (DEFICIT) - OCTOBER 1	\$ 19,702,676	14,289	5,869,934	2,598,670	73,611
FUND BALANCE - SEPTEMBER 30	\$ 21,551,587	\$ 10,448	\$ 7,533,315	\$ 2,686,703	\$ 93,322

See accompanying Independent Auditor's Report.

PIER	COLISEUM	SUNKEN GARDENS	MISCELLANEOUS TRUSTS	TOTAL
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	62,166	62,166
486,687	659,995	656,195	681,052	2,483,929
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
2,274	1,918	1,280	108,817	114,289
0	0	0	0	0
988,673	0	0	0	988,673
990,947	1,918	1,280	108,817	1,102,962
0	0	0	0	0
0	0	0	1,547	1,547
0	0	997	721,429	722,426
86,457	3,984	0	0	90,441
86,457	3,984	997	722,976	814,414
1,564,091	665,897	658,472	1,575,011	4,463,471
0	0	0	0	0
0	0	0	0	0
0	0	0	21,005	21,005
3,122,344	950,762	960,077	360,393	5,393,576
0	0	0	0	0
0	0	0	0	0
0	0	28,657	234,510	263,167
3,122,344	950,762	988,734	615,908	5,677,748
(1,558,253)	(284,865)	(330,262)	959,103	(1,214,277)
1,601,000	290,000	323,000	0	2,214,000
0	0	0	0	0
0	0	0	0	0
0	0	0	17,570	17,570
1,601,000	290,000	323,000	17,570	2,231,570
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
(40,000)	0	0	(495,382)	(535,382)
(40,000)	0	0	(495,382)	(535,382)
1,561,000	290,000	323,000	(477,812)	(18,332,121)
2,747	5,135	(7,262)	481,291	(19,546,398)
61,293	13,116	51,467	1,694,325	1,820,201
\$ 64,040	\$ 18,251	\$ 44,205	\$ 2,175,616	\$ (17,726,197)

**CITY OF ST. PETERSBURG, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 SEPTEMBER 30, 2006**

	PUBLIC IMPROVEMENT	UTILITY TAX	EXCISE TAX
ASSETS			
Cash and Cash Equivalents	\$ 1,633,000	\$ 2,469,531	\$ 6,913,987
Trustee Accounts			
Cash and Cash Equivalents	0	0	0
Investments	0	0	0
Accrued Interest Receivable	6,169	0	0
TOTAL ASSETS	1,639,169	2,469,531	6,913,987
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to Other Governmental Agencies			
Accrued Interest Receivable on Issue of Notes Payable	0	0	0
TOTAL LIABILITIES	0	0	0
FUND BALANCES			
Reserved			
For Interest	0	142,333	1,633,987
For General Long-term Liabilities			
Principal Account	0	798,333	5,280,000
Reserve Account	1,639,169	1,528,865	0
TOTAL FUND BALANCES	1,639,169	2,469,531	6,913,987
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,639,169	\$ 2,469,531	\$ 6,913,987

See accompanying Independent Auditor's Report.

<u>PROFESSIONAL SPORTS FACILITY SALES TAX</u>	<u>FIRST FLORIDA</u>	<u>CAPITAL IMPROVEMENT VARIABLE RATE</u>	<u>SUNSHINE STATE</u>	<u>TOTAL</u>
\$ 1,432,438	\$ 0	\$ 0	\$ 0	\$ 12,448,956
0	15,157	0	694,405	709,562
0	850,456	0	0	850,456
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,169</u>
<u>1,432,438</u>	<u>865,613</u>	<u>0</u>	<u>694,405</u>	<u>14,015,143</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>
497,438	0	0	10,790	2,284,548
935,000	0	0	0	7,013,333
<u>0</u>	<u>865,613</u>	<u>0</u>	<u>683,615</u>	<u>4,717,262</u>
<u>1,432,438</u>	<u>865,613</u>	<u>0</u>	<u>694,405</u>	<u>14,015,143</u>
<u>\$ 1,432,438</u>	<u>\$ 865,613</u>	<u>\$ 0</u>	<u>\$ 694,405</u>	<u>\$ 14,015,143</u>

**CITY OF ST. PETERSBURG, FLORIDA
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 DEBT SERVICE FUNDS
 FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	<u>PUBLIC IMPROVEMENT</u>	<u>UTILITY TAX</u>	<u>EXCISE TAX</u>
REVENUES			
Earnings on Investments	\$ 86,652	\$ 122,416	\$ 148,302
TOTAL REVENUES	<u>86,652</u>	<u>122,416</u>	<u>148,302</u>
EXPENDITURES			
Debt Service			
Principal Payments	5,540,000	2,295,000	5,050,000
Interest Payments	933,250	529,000	3,381,600
Remarketing and Other Fees	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>6,473,250</u>	<u>2,824,000</u>	<u>8,431,600</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(6,386,598)</u>	<u>(2,701,584)</u>	<u>(8,283,298)</u>
OTHER FINANCING SOURCES			
Transfers In			
General Fund	0	0	0
Special Revenue Funds	6,392,767	2,699,250	8,399,673
Capital Project Funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	<u>6,392,767</u>	<u>2,699,250</u>	<u>8,399,673</u>
TOTAL OTHER FINANCING SOURCES	<u>6,392,767</u>	<u>2,699,250</u>	<u>8,399,673</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	6,169	(2,334)	116,375
FUND BALANCES - OCTOBER 1	<u>1,633,000</u>	<u>2,471,865</u>	<u>6,797,612</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 1,639,169</u>	<u>\$ 2,469,531</u>	<u>\$ 6,913,987</u>

See accompanying Independent Auditor's Report.

PROFESSIONAL SPORTS FACILITY SALES TAX	FIRST FLORIDA	CAPITAL IMPROVEMENT VARIABLE RATE	SUNSHINE STATE	TOTAL
\$ 30,280	\$ 47,821	\$ 0	\$ 14,426	\$ 449,897
30,280	47,821	0	14,426	449,897
915,000	2,830,000	245,000	1,270,000	18,145,000
1,004,025	1,242,880	143,525	723,912	7,958,192
0	5,625	0	52,716	58,341
1,919,025	4,078,505	388,525	2,046,628	26,161,533
(1,888,745)	(4,030,684)	(388,525)	(2,032,202)	(25,711,636)
0	3,762,433	388,525	205,633	4,356,591
1,899,595	275,000	0	639,517	20,305,802
0	0	0	1,411,504	1,411,504
1,899,595	4,037,433	388,525	2,256,654	26,073,897
1,899,595	4,037,433	388,525	2,256,654	26,073,897
10,850	6,749	0	224,452	362,261
1,421,588	858,864	0	469,953	13,652,882
\$ 1,432,438	\$ 865,613	\$ 0	\$ 694,405	\$ 14,015,143

**CITY OF ST. PETERSBURG, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 CAPITAL PROJECT FUNDS
 SEPTEMBER 30, 2006**

	<u>GENERAL CAPITAL IMPROVEMENT</u>	<u>HOUSING CAPITAL IMPROVEMENT</u>
ASSETS		
Cash and Cash Equivalents	\$ 4,986,377	\$ 1,934,223
Investments	0	0
Trustee Accounts		
Cash and Cash Equivalents	0	0
Receivables		
Accounts	85,661	20,442
Accrued Interest	20	4,633
Notes	0	113,867
Due from Other Governmental Agencies		
Grants	1,164,020	0
Prepaid Costs and Deposits	466	0
Restricted Assets		
Cash and Cash Equivalents	4,477,367	0
Other Assets	<u>593</u>	<u>0</u>
TOTAL ASSETS	<u>\$ 10,714,504</u>	<u>\$ 2,073,165</u>
LIABILITIES AND FUND BALANCES		
LIABILITIES		
Vouchers and Accounts Payable	\$ 805,815	\$ 30,648
Accrued Liabilities	0	558
Retainage	388,871	0
Due to Other Governmental Agencies	82,122	0
Due to Other Funds	0	0
Deferred Revenue - Notes	<u>0</u>	<u>113,867</u>
TOTAL LIABILITIES	<u>1,276,808</u>	<u>145,073</u>
FUND BALANCES		
Reserved for Encumbrances	1,418,693	0
Reserved for Prepaid Costs and Deposits	466	0
Unreserved		
Designated for Capital Projects	8,018,537	1,210,313
Undesignated	<u>0</u>	<u>717,779</u>
TOTAL FUND BALANCES	<u>9,437,696</u>	<u>1,928,092</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 10,714,504</u>	<u>\$ 2,073,165</u>

See accompanying Independent Auditor's Report.

<u>TRANSPORTATION IMPROVEMENT</u>	<u>ECONOMIC DEVELOPMENT INDUSTRIAL PARK</u>	<u>DOWNTOWN PARKING GARAGE</u>	<u>WEEKI WACHEE</u>	<u>TOTAL</u>
\$ 2,837,225	\$ 3,747	\$ 420,555	\$ 965,222	\$ 11,147,349
15,755,515	0	0	0	15,755,515
0	155,568	0	0	155,568
13,904	0	0	0	120,007
242,186	0	0	0	246,839
0	0	0	0	113,867
0	0	0	0	1,164,020
0	0	0	0	466
0	0	0	0	4,477,367
0	0	0	0	593
<u>\$ 18,848,830</u>	<u>\$ 159,315</u>	<u>\$ 420,555</u>	<u>\$ 965,222</u>	<u>\$ 33,181,591</u>
\$ 13,661	\$ 0	\$ 0	\$ 87	\$ 850,211
0	5,000	0	0	5,558
0	0	0	0	388,871
0	0	0	0	82,122
0	130,000	0	0	130,000
0	0	0	0	113,867
<u>13,661</u>	<u>135,000</u>	<u>0</u>	<u>87</u>	<u>1,570,629</u>
1,226,040	0	3,400	0	2,648,133
0	0	0	0	466
14,629,805	0	417,155	714,722	24,990,532
<u>2,979,324</u>	<u>24,315</u>	<u>0</u>	<u>250,413</u>	<u>3,971,831</u>
<u>18,835,169</u>	<u>24,315</u>	<u>420,555</u>	<u>965,135</u>	<u>31,610,962</u>
<u>\$ 18,848,830</u>	<u>\$ 159,315</u>	<u>\$ 420,555</u>	<u>\$ 965,222</u>	<u>\$ 33,181,591</u>

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
CAPITAL PROJECT FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	GENERAL CAPITAL IMPROVEMENT	HOUSING CAPITAL IMPROVEMENT
REVENUES		
Charges for Services	\$ 0	\$ 0
Intergovernmental Revenue		
Federal Grants	1,023,061	0
State Grants	477,340	287,782
Pinellas County - Pedestrian Improvement Program	70,158	0
Total	<u>1,570,559</u>	<u>287,782</u>
Use of Money and Property		
Earnings on Investments	562,872	98,400
Securities Lending Income	100,860	0
Total	<u>663,732</u>	<u>98,400</u>
Miscellaneous Revenues		
Contributions	227,836	0
Special Assessments and Impact Fees	0	0
Other	245,818	143,996
Total	<u>473,654</u>	<u>143,996</u>
TOTAL REVENUES	<u>2,707,945</u>	<u>530,178</u>
EXPENDITURES		
Current Operations		
General Government	0	0
Community & Economic Development	0	818,966
Public Works	287,748	0
Recreation & Culture	0	0
Capital Outlay	20,574,886	0
Debt Service		
Principal Payment	0	0
Bond Costs	23,358	0
Securities Lending		
Interest	97,817	0
Agent Fees	1,217	0
TOTAL EXPENDITURES	<u>20,985,026</u>	<u>818,966</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(18,277,081)</u>	<u>(288,788)</u>
OTHER FINANCING SOURCES (USES)		
Transfers In		
General Fund	5,471,000	0
Special Revenue Funds	516,060	0
Capital Project Funds	0	0
Internal Service Funds	100,000	0
Total Transfers In	<u>6,087,060</u>	<u>0</u>
Transfer Out		
Special Revenue Funds	(655,800)	0
Debt Service Funds	(32,805)	0
Capital Project Funds	(320,000)	0
Total Transfers Out	<u>(1,008,605)</u>	<u>0</u>
Issuance of Debt	4,343,681	0
TOTAL OTHER FINANCING SOURCES (USES)	<u>9,422,136</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(8,854,945)</u>	<u>(288,788)</u>
FUND BALANCES - OCTOBER 1	<u>18,292,641</u>	<u>2,216,880</u>
FUND BALANCES - SEPTEMBER 30	<u>\$ 9,437,696</u>	<u>\$ 1,928,092</u>

See accompanying Independent Auditor's Report.

TRANSPORTATION IMPROVEMENT	ECONOMIC DEVELOPMENT INDUSTRIAL PARK	DOWNTOWN PARKING GARAGE	WEEKI WACHEE	TOTAL
\$ 13,903	\$ 0	\$ 0	\$ 0	\$ 13,903
0	0	0	0	1,023,061
0	0	0	0	765,122
0	0	0	0	70,158
0	0	0	0	1,858,341
710,461	8,952	1,617	0	1,382,302
354,042	0	0	0	454,902
1,064,503	8,952	1,617	0	1,837,204
0	0	0	0	227,836
682,881	0	0	0	682,881
205,891	0	0	0	595,705
888,772	0	0	0	1,506,422
1,967,178	8,952	1,617	0	5,215,870
0	500	0	0	500
0	0	0	0	818,966
1,027	0	0	0	288,775
0	0	0	586	586
416,524	5,321	41,019	56,554	21,094,304
0	3,000,000	0	0	3,000,000
0	30,766	0	0	54,124
344,033	0	0	0	441,850
4,004	0	0	0	5,221
765,588	3,036,587	41,019	57,140	25,704,326
1,201,590	(3,027,635)	(39,402)	(57,140)	(20,488,456)
0	0	0	0	5,471,000
495,382	0	400,000	702,275	2,113,717
0	0	0	320,000	320,000
0	0	0	0	100,000
495,382	0	400,000	1,022,275	8,004,717
0	0	0	0	(655,800)
0	(218,699)	0	0	(251,504)
0	0	0	0	(320,000)
0	(218,699)	0	0	(1,227,304)
0	3,249,464	0	0	7,593,145
495,382	3,030,765	400,000	1,022,275	14,370,558
1,696,972	3,130	360,598	965,135	(6,117,898)
17,138,197	21,185	59,957	0	37,728,860
\$ 18,835,169	\$ 24,315	\$ 420,555	\$ 965,135	\$ 31,610,962

**CITY OF ST. PETERSBURG, FLORIDA
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 PERMANENT FUNDS
 SEPTEMBER 30, 2006**

	LIBRARY TRUST	KOPSICK PALM ARBORETUM TRUST	FIRE RESCUE AND EMS AWARDS	TOTAL
ASSETS				
Cash and Cash Equivalents	\$ 305,216	\$ 0	\$ 29,689	\$ 334,905
Trustee Accounts				
Investments	0	127,208	0	127,208
TOTAL ASSETS	\$ 305,216	\$ 127,208	\$ 29,689	\$ 462,113
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers and Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
TOTAL LIABILITIES	0	0	0	0
FUND BALANCES				
Reserved for:				
Library	305,216	0	0	305,216
Palm Arboretum	0	127,208	0	127,208
Fire Rescue and EMS Awards	0	0	29,689	29,689
TOTAL FUND BALANCES	305,216	127,208	29,689	462,113
TOTAL LIABILITIES AND FUND BALANCES	\$ 305,216	\$ 127,208	\$ 29,689	\$ 462,113

See accompanying Independent Auditor's Report.

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
PERMANENT FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	LIBRARY TRUST	KOPSICK PALM ARBORETUM TRUST	FIRE RESCUE AND EMS AWARDS	TOTAL
REVENUES				
Earnings on Investments	\$ 12,770	\$ 14,802	\$ 831	\$ 28,403
Contributions	0	0	15,075	15,075
TOTAL REVENUES	12,770	14,802	15,906	43,478
EXPENDITURES				
Awards Presented	0	0	2,000	2,000
TOTAL EXPENDITURES	0	0	2,000	2,000
EXCESS OF REVENUES OVER EXPENDITURES	12,770	14,802	13,906	41,478
OTHER FINANCING SOURCES (USES)				
Transfers Out				
Miscellaneous Trust Fund	(12,770)	(4,800)	0	(17,570)
TOTAL OTHER FINANCING SOURCES (USES)	(12,770)	(4,800)	0	(17,570)
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	10,002	13,906	23,908
FUND BALANCES - OCTOBER 1	305,216	117,206	15,783	438,205
FUND BALANCES - SEPTEMBER 30	\$ 305,216	\$ 127,208	\$ 29,689	\$ 462,113

See accompanying Independent Auditor's Report.

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	WEEKI WACHEE			VARIANCE WITH FINAL BUDGET OVER UNDER
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User Fees and Sales	0	0	3	3
Intergovernmental Revenues	0	0	0	0
Use of Money and Property	500	500	324	(176)
Miscellaneous Revenues	0	0	0	0
TOTAL REVENUES	<u>500</u>	<u>500</u>	<u>327</u>	<u>(173)</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	23	(23)
TOTAL EXPENDITURES	<u>0</u>	<u>0</u>	<u>23</u>	<u>(23)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>500</u>	<u>500</u>	<u>304</u>	<u>(196)</u>
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	556	556	0
Trust Funds	0	0	0	0
Enterprise Funds	0	0	0	0
Total Transfers In	<u>0</u>	<u>556</u>	<u>556</u>	<u>0</u>
Operating Transfers Out				
General Fund	0	0	(248)	(248)
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Project Funds	(500)	(1,450)	(828)	622
Total Transfers Out	<u>(500)</u>	<u>(1,450)</u>	<u>(1,076)</u>	<u>374</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(500)</u>	<u>(894)</u>	<u>(520)</u>	<u>374</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>0</u>	<u>(394)</u>	<u>(216)</u>	<u>178</u>
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2005	14,860	14,860	14,860	0
Reserve for Encumbrances - September 30, 2005	0	0	0	0
Change in Prepaid Costs and Inventory	0	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 14,860</u>	14,466	14,644	<u>\$ 178</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2006			0	
Reserve for Prepaid Costs and Inventory			0	
Recognition of Prior Year's Changes in Fair Value of Investments Held			354	
Recognition of Current Year's Changes in Fair Value of Investments Held			(37)	
FUND BALANCES - SEPTEMBER 30			<u>\$ 14,961</u>	

FRANCHISE TAX				PROFESSIONAL SPORTS FACILITY SALES TAX			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL AND FINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 14,206	\$ 14,206	\$ 18,440	\$ 4,234	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	1,995	1,995	2,000	5
0	0	0	0	5	5	19	14
0	0	0	0	0	0	0	0
<u>14,206</u>	<u>14,206</u>	<u>18,440</u>	<u>4,234</u>	<u>2,000</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
<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>14,206</u>	<u>14,206</u>	<u>18,440</u>	<u>4,234</u>	<u>2,000</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	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>0</u>
(14,206)	(16,206)	(16,207)	(1)	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	(2,000)	(2,175)	(2,175)	0
0	0	0	0	0	0	0	0
<u>(14,206)</u>	<u>(16,206)</u>	<u>(16,207)</u>	<u>(1)</u>	<u>(2,000)</u>	<u>(2,175)</u>	<u>(2,175)</u>	<u>0</u>
<u>(14,206)</u>	<u>(16,206)</u>	<u>(16,207)</u>	<u>(1)</u>	<u>(2,000)</u>	<u>(2,175)</u>	<u>(2,175)</u>	<u>0</u>
0	(2,000)	2,233	4,233	0	(175)	(156)	19
1,821	1,821	1,821	0	186	186	186	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
<u>\$ 1,821</u>	<u>\$ (179)</u>	<u>4,054</u>	<u>\$ 4,233</u>	<u>\$ 186</u>	<u>\$ 11</u>	<u>30</u>	<u>\$ 19</u>
		0				0	
		0				0	
		0				0	
		<u>0</u>				<u>0</u>	
		<u>\$ 4,054</u>				<u>\$ 30</u>	

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	COMMUNITY REDEVELOPMENT DISTRICTS			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
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	3,507	3,507	3,540	33
Use of Money and Property	0	0	23	23
Miscellaneous Revenues	0	0	0	0
TOTAL REVENUES	3,507	3,507	3,563	56
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	0	0	0	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	3,507	3,507	3,563	56
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	4,223	4,223	4,006	(217)
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	4,223	4,223	4,006	(217)
Operating Transfers Out				
General Fund	0	0	0	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	(7,010)	(7,286)	(7,286)	0
Capital Project Funds	0	0	0	0
Total Transfers Out	(7,010)	(7,286)	(7,286)	0
TOTAL OTHER FINANCING SOURCES (USES)	(2,787)	(3,063)	(3,280)	(217)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	720	444	283	(161)
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2005	281	281	281	0
Change in Prepaid Costs and Inventory	0	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 1,001	\$ 725	564	\$ (161)
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2006			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			\$ 564	

See accompanying Independent Auditor's Report.

DOWNTOWN REDEVELOPMENT DISTRICT				ASSESSMENTS COLLECTION			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 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	18	18	0	80	80	48	(32)
0	0	0	0	100	100	72	(28)
0	18	18	0	180	180	120	(60)
0	0	0	0	0	0	0	0
0	0	0	0	132	132	121	11
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	132	132	121	11
0	18	18	0	48	48	(1)	(49)
0	0	0	0	0	0	0	0
6,450	7,286	7,286	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
6,450	7,286	7,286	0	0	0	0	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
(6,450)	(6,897)	(6,997)	(100)	0	0	0	0
0	0	0	0	0	(36)	(47)	(11)
(6,450)	(6,897)	(6,997)	(100)	0	(36)	(47)	(11)
0	389	289	(100)	0	(36)	(47)	(11)
0	407	307	(100)	48	12	(48)	(60)
(53)	(53)	(53)	0	233	233	233	0
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0
\$ (53)	\$ 354	254	\$ (100)	\$ 281	\$ 245	185	\$ (60)
		0				0	
		0				0	
		0				0	
		0				0	
		\$ 254				\$ 185	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	PARKING			VARIANCE WITH FINAL BUDGET OVER UNDER
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	910	910	959	49
Charges for Services, User Fees and Sales	2,892	2,892	2,754	(138)
Intergovernmental Revenues	0	0	0	0
Use of Money and Property	124	124	99	(25)
Miscellaneous Revenues	0	0	20	20
TOTAL REVENUES	3,926	3,926	3,832	(94)
EXPENDITURES				
General Government	0	0	0	0
Community and Economic Development	0	0	0	0
Public Works	3,616	3,748	3,675	(73)
Public Safety	0	0	0	0
Recreation and Culture	0	0	0	0
TOTAL EXPENDITURES	3,616	3,748	3,675	(73)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	310	178	157	(21)
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)	(30)	0
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	(35)	(35)
Capital Project Funds	(440)	(440)	(400)	40
Total Transfers Out	(470)	(470)	(465)	5
TOTAL OTHER FINANCING SOURCES (USES)	(470)	(470)	(465)	5
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	(160)	(292)	(308)	(16)
BUDGETARY FUND BALANCES - OCTOBER 1	397	397	397	0
Reserve for Encumbrances - September 30, 2005	0	0	120	120
Change in Prepaid Costs and Inventory	0	0	0	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 237	\$ 105	209	\$ 104
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2006			7	
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			\$ 216	

See accompanying Independent Auditor's Report.

LOCAL LAW ENFORCEMENT TRUST			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0
275	275	386	111
0	0	0	0
0	0	0	0
0	0	4	4
0	0	0	0
<u>275</u>	<u>275</u>	<u>390</u>	<u>115</u>
0	0	0	0
0	0	0	0
0	0	0	0
113	624	581	43
0	0	0	0
<u>113</u>	<u>624</u>	<u>581</u>	<u>43</u>
<u>162</u>	<u>(349)</u>	<u>(191)</u>	<u>158</u>
0	0	0	0
0	0	0	0
0	0	0	0
0	500	100	(400)
0	0	0	0
0	0	0	0
<u>0</u>	<u>500</u>	<u>100</u>	<u>(400)</u>
0	0	0	0
0	0	(15)	(15)
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>(15)</u>	<u>(15)</u>
0	500	85	(415)
<u>162</u>	<u>151</u>	<u>(106)</u>	<u>(257)</u>
258	258	258	0
0	0	0	0
0	0	0	0
<u>\$ 420</u>	<u>\$ 409</u>	<u>152</u>	<u>\$ (257)</u>

LOCAL LAW ENFORCEMENT BLOCK GRANT			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0
0	0	0	0
0	0	198	198
0	0	5	5
0	0	3	3
<u>0</u>	<u>0</u>	<u>206</u>	<u>206</u>
0	0	0	0
0	0	0	0
0	0	0	0
0	239	236	3
0	0	0	0
<u>0</u>	<u>239</u>	<u>236</u>	<u>3</u>
<u>0</u>	<u>(239)</u>	<u>(30)</u>	<u>209</u>
0	0	0	0
0	0	15	15
0	0	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>15</u>	<u>15</u>
0	0	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
0	0	15	15
0	(239)	(15)	224
15	15	15	0
0	0	0	0
0	0	3	3
<u>\$ 15</u>	<u>\$ (224)</u>	<u>3</u>	<u>\$ 227</u>

0
11
0
0
\$ 163

0
0
0
0
\$ 3

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	EMERGENCY MEDICAL SERVICES		
	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
REVENUES			
Taxes	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0
Charges for Services, User Fees and Sales	9,278	9,381	103
Intergovernmental Revenues	15	17	2
Use of Money and Property	30	45	15
Miscellaneous Revenues	<u>0</u>	<u>10</u>	<u>10</u>
TOTAL REVENUES	<u>9,323</u>	<u>9,453</u>	<u>130</u>
EXPENDITURES			
General Government	0	0	0
Community and Economic Development	0	0	0
Public Works	0	0	0
Public Safety	10,309	9,550	759
Recreation and Culture	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL EXPENDITURES	<u>10,309</u>	<u>9,550</u>	<u>759</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(986)</u>	<u>(97)</u>	<u>889</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	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers In	<u>0</u>	<u>0</u>	<u>0</u>
Operating Transfers Out			
General Fund	0	0	0
Special Revenue Funds	0	0	0
Debt Service Funds	0	0	0
Capital Project Funds	<u>0</u>	<u>0</u>	<u>0</u>
Total Transfers Out	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>0</u>	<u>0</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(986)</u>	<u>(97)</u>	<u>889</u>
BUDGETARY FUND BALANCES - OCTOBER 1	1,160	1,160	0
Reserve for Encumbrances - September 30, 2005	0	53	53
Change in Prepaid Costs and Inventory	<u>0</u>	<u>1</u>	<u>1</u>
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 174</u>	<u>1,117</u>	<u>\$ 943</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING			
Reserve for Encumbrances - September 30, 2006		5	
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		<u>0</u>	
FUND BALANCES - SEPTEMBER 30		<u>\$ 1,122</u>	

See accompanying Independent Auditor's Report.

ECONOMIC DEVELOPMENT				LOCAL HOUSING ASSISTANCE TRUST		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	99	99	1,878	2,346	468
0	0	0	0	105	275	170
0	0	0	0	300	1,163	863
0	0	99	99	2,283	3,784	1,501
0	0	0	0	0	0	0
0	54	103	(49)	2,385	1,997	388
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	54	103	(49)	2,385	1,997	388
0	(54)	(4)	50	(102)	1,787	1,889
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	0	0	0	0	0	0
0	(54)	(4)	50	(102)	1,787	1,889
14	14	14	0	5,921	5,921	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$ 14</u>	<u>\$ (40)</u>	10	<u>\$ 50</u>	<u>\$ 5,819</u>	7,708	<u>1,889</u>
		0			5	
		0			0	
		0			(51)	
		0			(129)	
		<u>\$ 10</u>			<u>\$ 7,533</u>	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	TROPICANA FIELD			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
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	0	0
Use of Money and Property	1044	1044	1,312	268
Miscellaneous Revenues	0	0	0	0
TOTAL REVENUES	<u>1,044</u>	<u>1,044</u>	<u>1,312</u>	<u>268</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	1,336	1,824	1,824	0
TOTAL EXPENDITURES	<u>1,336</u>	<u>1,824</u>	<u>1,824</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(292)</u>	<u>(780)</u>	<u>(512)</u>	<u>268</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	800	800	600	(200)
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>800</u>	<u>800</u>	<u>600</u>	<u>(200)</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>800</u>	<u>800</u>	<u>600</u>	<u>(200)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>508</u>	<u>20</u>	<u>88</u>	<u>68</u>
BUDGETARY FUND BALANCES - OCTOBER 1	2,444	2,444	2,444	0
Reserve for Encumbrances - September 30, 2005	0	0	0	0
Change in Prepaid Costs and Inventory	0	0	155	155
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 2,952</u>	<u>\$ 2,464</u>	2,687	<u>\$ 223</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2006			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>\$ 2,687</u>	

See accompanying Independent Auditor's Report.

BAYFRONT CENTER				PIER			
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0	0	0
745	745	517	(228)	555	555	487	(68)
0	0	0	0	0	0	0	0
3	3	6	3	990	990	991	1
52	52	34	(18)	82	82	86	4
800	800	557	(243)	1,627	1,627	1,564	(63)
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
1,859	2,244	2,215	29	3,157	3,157	3,122	35
1,859	2,244	2,215	29	3,157	3,157	3,122	35
(1,059)	(1,444)	(1,658)	(214)	(1,530)	(1,530)	(1,558)	(28)
958	1,677	1,677	0	1,580	1,601	1,601	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
958	1,677	1,677	0	1,580	1,601	1,601	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	(40)	(40)	0
0	0	0	0	0	(40)	(40)	0
958	1,677	1,677	0	1,580	1,561	1,561	0
(101)	233	19	(214)	50	31	3	(28)
25	25	25	0	18	18	18	0
0	0	14	14	0	0	0	0
0	0	(58)	(58)	0	0	(20)	(20)
\$ (76)	\$ 258	\$ 0	\$ (258)	\$ 68	\$ 49	1	\$ (48)
		0				0	
		93				63	
		0				0	
		0				0	
		\$ 93				\$ 64	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
NONMAJOR SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	COLISEUM			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
REVENUES				
Taxes	\$ 0	\$ 0	\$ 0	\$ 0
Fines and Forfeitures	0	0	0	0
Charges for Services, User Fees and Sales	605	605	660	55
Intergovernmental Revenues	0	0	0	0
Use of Money and Property	2	2	2	0
Miscellaneous Revenues	5	5	4	(1)
TOTAL REVENUES	<u>612</u>	<u>612</u>	<u>666</u>	<u>54</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	776	946	951	(5)
TOTAL EXPENDITURES	<u>776</u>	<u>946</u>	<u>951</u>	<u>(5)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(164)</u>	<u>(334)</u>	<u>(285)</u>	<u>49</u>
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	120	290	290	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>120</u>	<u>290</u>	<u>290</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>120</u>	<u>290</u>	<u>290</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(44)</u>	<u>(44)</u>	<u>5</u>	<u>49</u>
BUDGETARY FUND BALANCES - OCTOBER 1				
Reserve for Encumbrances - September 30, 2005	0	0	0	0
Change in Prepaid Costs and Inventory	0	0	4	4
	0	0	(5)	(5)
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ (44)</u>	<u>\$ (44)</u>	<u>4</u>	<u>\$ 48</u>
RECONCILIATION OF BUDGET TO GAAP REPORTING				
Reserve for Encumbrances - September 30, 2006			0	
Reserve for Prepaid Costs and Inventory			14	
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>\$ 18</u>	

See accompanying Independent Auditor's Report.

SUNKEN GARDENS				MISCELLANEOUS TRUSTS		
ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	62	62
707	707	656	(51)	0	681	681
0	0	0	0	0	0	0
1	1	1	0	0	103	103
0	0	1	1	0	723	723
<u>708</u>	<u>708</u>	<u>658</u>	<u>(50)</u>	<u>0</u>	<u>1,569</u>	<u>1,569</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	21	(21)
813	980	990	(10)	0	724	(724)
<u>813</u>	<u>980</u>	<u>990</u>	<u>(10)</u>	<u>0</u>	<u>745</u>	<u>(745)</u>
<u>(105)</u>	<u>(272)</u>	<u>(332)</u>	<u>(60)</u>	<u>0</u>	<u>824</u>	<u>824</u>
108	323	323	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	18	18
0	0	0	0	0	0	0
<u>108</u>	<u>323</u>	<u>323</u>	<u>0</u>	<u>0</u>	<u>18</u>	<u>18</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	(495)	(495)
0	0	0	0	0	(495)	(495)
<u>108</u>	<u>323</u>	<u>323</u>	<u>0</u>	<u>0</u>	<u>(477)</u>	<u>(477)</u>
3	51	(9)	(60)	0	347	347
(12)	(12)	(12)	0	1,728	1,728	0
0	0	46	46	0	0	0
0	0	(18)	(18)	0	0	0
<u>\$ (9)</u>	<u>\$ 39</u>	<u>7</u>	<u>\$ (32)</u>	<u>\$ 1,728</u>	<u>2,075</u>	<u>\$ 347</u>
		1			129	
		36			0	
		0			(34)	
		0			6	
		<u>\$ 44</u>			<u>\$ 2,176</u>	

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	PUBLIC IMPROVEMENT		
	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
REVENUES			
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0
Use of Money and Property	23	87	64
TOTAL REVENUES	23	87	64
EXPENDITURES			
Debt Service			
Principal Payments	5,540	5,540	0
Interest Payments	933	933	0
Remarketing and Other Fees	0	0	0
Bond Costs	0	0	0
TOTAL EXPENDITURES	6,473	6,473	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(6,450)	(6,386)	64
OTHER FINANCING SOURCES (USES)			
Operating Transfers In			
General Fund	0	0	0
Special Revenue Funds	6,450	6,393	(57)
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Enterprise Funds	0	0	0
Total Operating Transfers In	6,450	6,393	(57)
TOTAL OTHER FINANCING SOURCES (USES)	6,450	6,393	(57)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	6	6
BUDGETARY FUND BALANCES - OCTOBER 1	1,633	1,633	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 1,633	1,639	\$ 6
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		\$ 1,639	

See accompanying Independent Auditor's Report.

UTILITY TAX			EXCISE TAX		
ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>34</u>	<u>122</u>	<u>88</u>	<u>48</u>	<u>148</u>	<u>100</u>
34	122	88	48	148	100
2,295	2,295	0	5,050	5,050	0
529	529	0	3,382	3,382	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>
2,824	2,824	0	8,432	8,432	0
<u>(2,790)</u>	<u>(2,702)</u>	<u>88</u>	<u>(8,384)</u>	<u>(8,284)</u>	<u>100</u>
0	0	0	0	0	0
2,790	2,699	(91)	8,500	8,400	(100)
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>
2,790	2,699	(91)	8,500	8,400	(100)
<u>2,790</u>	<u>2,699</u>	<u>(91)</u>	<u>8,500</u>	<u>8,400</u>	<u>(100)</u>
0	(3)	(3)	116	116	0
<u>2,472</u>	<u>2,472</u>	<u>0</u>	<u>6,798</u>	<u>6,798</u>	<u>0</u>
<u>\$ 2,472</u>	<u>2,469</u>	<u>\$ (3)</u>	<u>\$ 6,914</u>	<u>6,914</u>	<u>\$ 0</u>
	0			0	
	<u>0</u>			<u>0</u>	
	<u>\$ 2,469</u>			<u>\$ 6,914</u>	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL (Continued)
DEBT SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	<u>PROFESSIONAL SPORTS FACILITY SALES TAX</u>		
	<u>ORIGINAL BUDGET</u>	<u>ACTUAL (BUDGETARY BASIS)</u>	<u>VARIANCE WITH FINAL BUDGET OVER UNDER</u>
REVENUES			
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0
Use of Money and Property	10	30	20
TOTAL REVENUES	<u>10</u>	<u>30</u>	<u>20</u>
EXPENDITURES			
Debt Service			
Principal Payments	915	915	0
Interest Payments	1,004	1,004	0
Remarketing and Other Fees	0	0	0
Bond Costs	0	0	0
TOTAL EXPENDITURES	<u>1,919</u>	<u>1,919</u>	<u>0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(1,909)</u>	<u>(1,889)</u>	<u>20</u>
OTHER FINANCING SOURCES (USES)			
Operating Transfers In			
General Fund	0	0	0
Special Revenue Funds	1,920	1,900	(20)
Debt Service Funds	0	0	0
Capital Project Funds	0	0	0
Enterprise Funds	0	0	0
Total Operating Transfers In	<u>1,920</u>	<u>1,900</u>	<u>(20)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,920</u>	<u>1,900</u>	<u>(20)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	11	11	0
BUDGETARY FUND BALANCES - OCTOBER 1	<u>1,422</u>	<u>1,422</u>	<u>0</u>
BUDGETARY FUND BALANCES - SEPTEMBER 30	<u>\$ 1,433</u>	<u>\$ 1,433</u>	<u>0</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>\$ 1,433</u>	

FIRST FLORIDA			CAPITAL IMPROVEMENT VARIABLE RATE		
ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER	ORIGINAL AND FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	VARIANCE WITH FINAL BUDGET OVER UNDER
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
23	48	25	0	0	0
23	48	25	0	0	0
2,830	2,830	0	810	245	565
1,243	1,243	0	401	144	257
10	6	4	29	0	29
0	0	0	0	0	0
4,083	4,079	4	1,240	389	851
(4,060)	(4,031)	29	(1,240)	(389)	851
0	3,762	3,762	1,240	389	(851)
4,060	275	(3,785)	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
4,060	4,037	(23)	1,240	389	(851)
4,060	4,037	(23)	1,240	389	(851)
0	7	7	0	0	0
759	759	0	0	0	0
<u>\$ 759</u>	<u>766</u>	<u>\$ 7</u>	<u>\$ 0</u>	<u>0</u>	<u>\$ 0</u>
	100			0	
	0			0	
	<u>\$ 866</u>			<u>\$ 0</u>	

(Continued on next page)

CITY OF ST. PETERSBURG, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (Continued)
DEBT SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006
(In Thousands)

	SUNSHINE STATE			VARIANCE WITH FINAL BUDGET OVER UNDER
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL (BUDGETARY BASIS)	
REVENUES				
Intergovernmental Revenues-Pinellas County	\$ 0	\$ 0	\$ 0	\$ 0
Use of Money and Property	1	1	13	12
TOTAL REVENUES	1	1	13	12
EXPENDITURES				
Debt Service				
Principal Payments	1,270	1,270	1,270	0
Interest Payments	655	737	724	13
Remarketing and Other Fees	40	40	53	(13)
Bond Costs	0	0	0	0
TOTAL EXPENDITURES	1,965	2,047	2,047	0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(1,964)	(2,046)	(2,034)	12
OTHER FINANCING SOURCES (USES)				
Operating Transfers In				
General Fund	1,964	1,964	206	(1,758)
Special Revenue Funds	0	0	640	640
Debt Service Funds	0	0	0	0
Capital Project Funds	0	0	1,412	1,412
Enterprise Funds	0	0	0	0
Total Operating Transfers In	1,964	1,964	2,258	294
TOTAL OTHER FINANCING SOURCES (USES)	1,964	1,964	2,258	294
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	0	(82)	224	306
BUDGETARY FUND BALANCES - OCTOBER 1	470	470	470	0
BUDGETARY FUND BALANCES - SEPTEMBER 30	\$ 470	\$ 388	694	\$ 306
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			\$ 694	

See accompanying Independent Auditor's Report.

CITY OF ST. PETERSBURG, FLORIDA

Non-Major Enterprise Funds

Enterprise Funds account for operations that are financed and operated in a manner similar to private enterprise.

Airport - This fund is used to account for the operation of Albert Whitted Municipal Airport.

Port - This fund is used to account for the operation of the Port of St. Petersburg.

Marina - This fund is used to account for the operation of the St. Petersburg Municipal Marina.

Golf Course - This fund is used to account for the operation of Mangrove Bay, Cypress Links at Mangrove Bay, and Twin Brooks golf courses.

Jamestown Complex - This fund is used to account for rental housing units for lower and middle income residents.

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2006

	AIRPORT	PORT	MARINA
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 2,576,039.00	\$ 538,948	\$ 2,771,242.00
Accounts Receivable	36,007.00	13,985	61,975.00
Due from Other Governmental Agencies			
Grants	951,991.00	26,563	0.00
Inventories	0.00	0	1,668.00
Prepaid Expenses and Deposits	0.00	0	0.00
Restricted Assets			
Cash and Cash Equivalents	0.00	0	3,960,629.00
Trustee Accounts			
Cash and Cash Equivalents	\$ 218,351.00	\$ 0	\$ 0.00
Total Current Assets	\$ 3,782,388.00	\$ 579,496	\$ 6,795,514.00
NONCURRENT ASSETS			
Capital Assets			
Land	\$ 1,912,168.00	\$ 1,001,500	\$ 0.00
Buildings	3,569,714.00	1,765,033	3,873,822.00
Improvements	8,185,904.00	2,757,805	5,528,516.00
Machinery and Equipment	678,068.00	63,929	466,430.00
Accumulated Depreciation	(5,205,591.00)	(2,859,323)	(6,713,584.00)
Projects in Progress	\$ 1,027,138.00	\$ 1,052,750	\$ 3,287,210.00
Total Capital Assets	\$ 10,167,401.00	\$ 3,781,694	\$ 6,442,394.00
Other Assets			
Unamortized Loan Issuance Costs	\$ 31,289.00	\$ 0	\$ 20,000.00
Total Other Assets	\$ 31,289.00	\$ 0	\$ 20,000.00
Sub-Total Restricted Assets (170)	\$ 238,045.00	\$ 0	\$ 0.00
Sub-Total Capital Assets (270)	8,358,115.00	3,595,649	3,477,927.00
Sub-Total Other Assets (320)	34,283.00	0	0.00
Total Noncurrent Assets	\$ 10,198,690.00	\$ 3,781,694	\$ 6,462,394.00
TOTAL ASSETS	\$ 13,981,078.00	\$ 4,361,190	\$ 13,257,908.00
LIABILITIES			
CURRENT LIABILITIES			
Vouchers and Accounts Payable	\$ 183,422.00	\$ 7,326	\$ 609,480.00
Accrued Salaries	7,831.00	10,102	22,641.00
Accrued Annual Leave	0.00	640	124.00
Retainage	154,007.00	0	257,769.00
Due to Other Governmental Agencies	1,026.00	30,588	19,247.00
Bonds Payable - Current Portion	350,000.00	0	130,000.00
Notes Payable - Current Portion	3,200,000.00	0	0.00
Leases Payable - Current Portion	0.00	0	0.00
Deposits	\$ 4,500.00	\$ 0	\$ 53,576.00
Total Current Liabilities	\$ 3,900,786.00	\$ 48,656	\$ 1,092,837.00
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Due to Other Governmental Agencies	\$ 0.00	\$ 0	\$ 0.00
Bonds and Notes Payable - Current Portion	\$ 0.00	\$ 0	\$ 0.00
Total Current Liabilities Payable From Restricted Assets	\$ 0.00	\$ 0	\$ 0.00
LONG-TERM LIABILITIES			
Accrued Annual Leave	\$ 12,258.00	\$ 9,483	\$ 46,650.00
Less Current Portion	0.00	(640)	(124.00)
Notes Payable	3,200,000.00	0	3,905,000.00
Less Current Portion	(3,200,000.00)	0	(130,000.00)
Revenue Bonds Payable	2,300,000.00	0	0.00
Less Current Portion	(350,000.00)	0	0.00
Leases Payable	0.00	0	0.00
Less Current Portion	\$ 0.00	\$ 0	\$ 0.00
Net accrued leave calculation	\$ 11,196.00	\$ 1,001	\$ 40,773.00
Net bonds payable calculation	2,310,000.00	0	0.00
Total Long-term Liabilities	\$ 1,962,258.00	\$ 8,843	\$ 3,821,526.00
Sub Total Current Liab (490)	\$ 323,605.00	\$ 187,830	\$ 86,339.00
Sub Total Cur Liab - Rest Assets (540)	0.00	0	0.00
Sub Total Long term Liab (620)	2,321,196.00	1,001	40,773.00
TOTAL LIABILITIES	\$ 5,863,044.00	\$ 57,499	\$ 4,914,363.00
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	\$ 4,885,752.00	\$ 3,781,694	\$ 6,442,394.00
Restricted			
Capital Projects - Debt Funded	0.00	0	55,629.00
Sub row (710 sum 740)	6,014,385.00	3,379,871	3,465,173.00
Sub row Unrestricted	6,572,623.00	3,830,743	6,353,597.00
Unrestricted	\$ 3,232,282.00	\$ 521,997	\$ 1,845,522.00
TOTAL NET ASSETS	\$ 8,118,034.00	\$ 4,303,691	\$ 8,343,545.00

See accompanying Independent Auditor's Report.

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF NET ASSETS
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2006**

	GOLF COURSE	JAMESTOWN COMPLEX	TOTAL
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	\$ 336,956	\$ 209,934	\$ 6,433,119
Accounts Receivable	4,195	356	116,518
Due from Other Governmental Agencies			
Grants	12,500	0	991,054
Inventories	122,894	0	124,562
Prepaid Expenses and Deposits	3,500	0	3,500
Restricted Assets			
Cash and Cash Equivalents	0	0	3,960,629
Trustee Accounts			
Cash and Cash Equivalents	\$ 0	\$ 0	\$ 218,351
Total Current Assets	\$ 480,045	\$ 210,290	\$ 11,847,733
NONCURRENT ASSETS			
Capital Assets			
Land	\$ 392,907	\$ 215,516	\$ 3,522,091
Buildings	1,708,346	1,317,237	12,234,152
Improvements	6,299,469	184,247	22,955,941
Machinery and Equipment	1,484,844	257,543	2,950,814
Accumulated Depreciation	(6,575,680)	(1,431,328)	(22,785,506)
Projects in Progress	\$ 0	\$ 0	\$ 5,367,098
Total Capital Assets	\$ 3,309,886	\$ 543,215	\$ 24,244,590
Other Assets			
Unamortized Loan Issuance Costs	\$ 0	\$ 0	\$ 51,289
Total Other Assets	\$ 0	\$ 0	\$ 51,289
Sub-Total Restricted Assets (170)	\$ 0	\$ 0	\$ 238,045
Sub-Total Capital Assets (270)	3,418,270	581,037	19,430,998
Sub-Total Other Assets (320)	0	0	34,283
Total Noncurrent Assets	\$ 3,309,886	\$ 543,215	\$ 24,295,879
TOTAL ASSETS	\$ 3,789,931	\$ 753,505	\$ 36,143,612
LIABILITIES			
CURRENT LIABILITIES			
Vouchers and Accounts Payable	\$ 104,299	\$ 4,706	\$ 909,233
Accrued Salaries	56,545	7,990	105,109
Accrued Annual Leave	4,385	0	5,149
Retainage	625	0	412,401
Due to Other Governmental Agencies	11,255	0	62,116
Bonds Payable - Current Portion	0	0	480,000
Notes Payable - Current Portion	0	0	3,200,000
Leases Payable - Current Portion	44,092	0	44,092
Deposits	\$ 108,227	\$ 35,039	\$ 201,342
Total Current Liabilities	\$ 329,428	\$ 47,735	\$ 5,419,442
CURRENT LIABILITIES PAYABLE FROM RESTRICTED ASSETS			
Due to Other Governmental Agencies	\$ 0	\$ 0	\$ 0
Bonds and Notes Payable - Current Portion	\$ 0	\$ 0	\$ 0
Total Current Liabilities Payable From Restricted Assets	\$ 0	\$ 0	\$ 0
LONG-TERM LIABILITIES			
Accrued Annual Leave	\$ 179,531	\$ 42,598	\$ 290,520
Less Current Portion	(4,385)	0	(5,149)
Notes Payable	0	0	7,105,000
Less Current Portion	0	0	(3,330,000)
Revenue Bonds Payable	0	0	2,300,000
Less Current Portion	0	0	(350,000)
Leases Payable	150,000	0	150,000
Less Current Portion	\$ (44,092)	\$ 0	\$ (44,092)
Net accrued leave calculation	\$ 157,922	\$ 30,187	\$ 241,079
Net bonds payable calculation	0	0	2,310,000
Total Long-term Liabilities	\$ 281,054	\$ 42,598	\$ 6,116,279
Sub Total Current Liab (490)	\$ 532,083	\$ 56,146	\$ 1,186,003
Sub Total Cur Liab - Rest Assets (540)	0	0	0
Sub Total Long term Liab (620)	157,922	30,187	2,551,079
TOTAL LIABILITIES	\$ 610,482	\$ 90,333	\$ 11,535,721
NET ASSETS			
Invested in Capital Assets, Net of Related Debt Restricted	\$ 3,159,886	\$ 543,215	\$ 18,812,941
Capital Projects - Debt Funded	0	0	55,629
Sub row (710 sum 740)	2,911,294	580,552	16,351,275
Sub row Unrestricted	3,040,825	675,176	20,472,964
Unrestricted	\$ 19,563	\$ 119,957	\$ 5,739,321
TOTAL NET ASSETS	\$ 3,179,449	\$ 663,172	\$ 24,607,891

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NONMAJOR ENTERPRISE ACTIVITIES
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	<u>AIRPORT</u>	<u>PORT</u>	<u>MARINA</u>
OPERATING REVENUES			
Sales and Concessions	\$ 0	\$ 699	\$ 25,434
Service Charges and Fees	0	250,842	6,530
Rentals and Parking	<u>746,510</u>	<u>78,260</u>	<u>2,037,450</u>
Total Operating Revenues	<u>746,510</u>	<u>329,801</u>	<u>2,069,414</u>
OPERATING EXPENSES			
Personal Services and Benefits	418,350	517,643	805,636
Supplies, Services, and Claims	266,477	181,486	516,182
General Administrative Charges	42,400	89,200	85,800
Depreciation	<u>395,532</u>	<u>150,623</u>	<u>324,282</u>
Total Operating Expenses	<u>1,122,759</u>	<u>938,952</u>	<u>1,731,900</u>
OPERATING INCOME (LOSS)	<u>(376,249)</u>	<u>(609,151)</u>	<u>337,514</u>
NONOPERATING REVENUES (EXPENSES)			
Intergovernmental Revenues	0	0	0
Earnings on Investments	78,120	20,466	220,536
Interest Expense	(36,451)	0	(41,128)
Financing Fees and Premium Paid	(3,450)	0	0
Amortization of Bond Discount and Issue Cost	(2,994)	0	0
Gain on Disposition of Capital Assets	0	0	0
Contributions	0	0	0
Miscellaneous Revenues	<u>2,423</u>	<u>13,164</u>	<u>13,164</u>
Total Nonoperating Revenues (Expenses)	<u>37,648</u>	<u>33,630</u>	<u>192,572</u>
INCOME (LOSS) BEFORE TRANSFERS AND CONTRIBUTIONS	<u>(338,601)</u>	<u>(575,521)</u>	<u>530,086</u>
CONTRIBUTIONS			
Contributions from Citizens	<u>1,630,921</u>	<u>157,239</u>	<u>0</u>
Total Contributions	<u>1,630,921</u>	<u>157,239</u>	<u>0</u>
TRANSFERS IN (OUT)			
Transfers In			
General Fund	520,000	520,000	1,600,000
Transfers Out			
General Fund	0	0	(300,000)
Payment in Lieu of Taxes - General Fund	<u>(91,140)</u>	<u>(37,536)</u>	<u>(67,020)</u>
Total Transfers In (Out)	<u>428,860</u>	<u>482,464</u>	<u>1,232,980</u>
CHANGE IN NET ASSETS	<u>1,721,180</u>	<u>64,182</u>	<u>1,763,066</u>
NET ASSETS - OCTOBER 1	<u>6,396,854</u>	<u>4,239,509</u>	<u>6,580,479</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 8,118,034</u>	<u>\$ 4,303,691</u>	<u>\$ 8,343,545</u>

See accompanying Independent Auditor's Report.

<u>GOLF COURSE</u>	<u>JAMESTOWN COMPLEX</u>	<u>TOTAL</u>
\$ 690,218	\$ 0	\$ 716,351
2,670,798	0	2,928,170
<u>509,651</u>	<u>484,256</u>	<u>3,856,127</u>
<u>3,870,667</u>	<u>484,256</u>	<u>7,500,648</u>
2,196,817	287,720	4,226,166
1,275,685	146,574	2,386,404
187,500	0	404,900
<u>390,549</u>	<u>47,263</u>	<u>1,308,249</u>
<u>4,050,551</u>	<u>481,557</u>	<u>8,325,719</u>
<u>(179,884)</u>	<u>2,699</u>	<u>(825,071)</u>
25,000	0	25,000
34,784	8,573	362,479
(4,600)	0	(82,179)
0	0	(3,450)
0	0	(2,994)
605	0	605
140,960	0	140,960
<u>11,954</u>	<u>16,058</u>	<u>56,763</u>
<u>208,703</u>	<u>24,631</u>	<u>497,184</u>
<u>28,819</u>	<u>27,330</u>	<u>(327,887)</u>
<u>0</u>	<u>0</u>	<u>1,788,160</u>
<u>0</u>	<u>0</u>	<u>1,788,160</u>
0	0	2,640,000
0	0	(300,000)
<u>(66,960)</u>	<u>(13,920)</u>	<u>(276,576)</u>
<u>(66,960)</u>	<u>(13,920)</u>	<u>2,063,424</u>
<u>(38,141)</u>	<u>13,410</u>	<u>3,523,697</u>
<u>3,217,590</u>	<u>649,762</u>	<u>21,084,194</u>
<u>\$ 3,179,449</u>	<u>\$ 663,172</u>	<u>\$ 24,607,891</u>

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	<u>AIRPORT</u>	<u>PORT</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	\$ 801,537	\$ 560,242
Payments to Suppliers	(55,061)	(102,773)
Payments to Employees	(458,168)	(512,710)
Internal Activity - Payments to Other Funds	(130,411)	(169,284)
Claims Paid	(204)	(2,196)
Net Cash Provided (used) by Operating Activities	<u>157,693</u>	<u>(226,721)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Intergovernmental Revenue	440,412	187,750
Transfers In	520,000	520,000
Transfers Out	(91,140)	(37,536)
Net Cash Provided by (used for) Noncapital Financing Activities	<u>869,272</u>	<u>670,214</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and Construction of Capital Assets	(2,011,811)	(336,668)
Proceeds from Sale of Capital Assets	0	0
Principal Paid on Revenue Bond Maturities	(220,000)	0
Interest Paid on Revenue Bonds	(75,451)	0
Proceeds from Debt Issuance	3,200,000	0
Variable Rate Bond Fees	(3,450)	0
Cash Contributed by Citizens	400,000	0
Collections on Contracts and Notes Receivable	0	0
Net Cash Flows Used by Capital and Related Financing Activities	<u>1,289,288</u>	<u>(336,668)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest on Investments	78,120	20,466
Net Cash Provided by Investment Activities	<u>78,120</u>	<u>20,466</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,394,373	127,291
CASH AND CASH EQUIVALENTS - OCTOBER 1	400,017	411,657
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	<u>\$2,794,390</u>	<u>\$538,948</u>
Reconciliation of Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (loss)	(\$376,249)	(609,151)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities		
Depreciation	395,532	150,623
Other Revenues (Expenses)	2,423	13,164
(Increase) Decrease in Accounts Receivable	51,578	349,975
(Increase) Decrease in Inventories	0	0
(Increase) Decrease in Prepaid Expenses and Deposits	173	0
Increase (Decrease) in Vouchers and Accounts Payable	123,028	(3,567)
Increase (Decrease) in Accrued Salaries	(40,880)	713
Increase (Decrease) in Accrued Annual Leave	1,062	4,220
Increase (Decrease) in Due to Other Governmental Agencies	1,026	1,695
Increase (Decrease) in Deposits and Other Liabilities	0	(134,393)
Net Cash Provided (Used) by Operating Activities	<u>\$157,693</u>	<u>(\$226,721)</u>

See accompanying Independent Auditor's Report.

MARINA	GOLF COURSE	JAMESTOWN COMPLEX	TOTAL
\$ 2,094,349	\$ 3,913,688	\$ 499,238	\$ 7,869,054
217,181	(1,085,641)	(81,582)	(1,107,876)
(798,624)	(2,170,354)	(281,232)	(4,221,088)
(221,483)	(335,879)	(65,705)	(922,762)
(5,940)	(10,152)	(768)	(19,260)
<u>1,285,483</u>	<u>311,662</u>	<u>69,951</u>	<u>1,598,068</u>
2,010	56,660	0	686,832
1,600,000	0	0	2,640,000
(367,020)	(66,960)	(13,920)	(576,576)
<u>1,234,990</u>	<u>(10,300)</u>	<u>(13,920)</u>	<u>2,750,256</u>
(3,030,980)	(281,540)	(9,441)	(5,670,440)
0	605	0	605
0	(345,000)	0	(565,000)
(41,128)	(4,600)	0	(121,179)
3,905,000	150,000	0	7,255,000
(20,000)	0	0	(23,450)
0	140,960	0	540,960
0	0	0	0
<u>812,892</u>	<u>(339,575)</u>	<u>(9,441)</u>	<u>1,416,496</u>
220,536	34,784	8,573	362,479
<u>220,536</u>	<u>34,784</u>	<u>8,573</u>	<u>362,479</u>
3,553,901	(3,429)	55,163	6,127,299
<u>3,177,970</u>	<u>340,385</u>	<u>154,771</u>	<u>4,484,800</u>
<u>\$6,731,871</u>	<u>\$336,956</u>	<u>\$209,934</u>	<u>\$10,612,099</u>
337,514	(179,884)	2,699	(825,071)
324,282	390,549	47,263	1,308,249
13,164	11,954	16,058	56,763
(14,532)	(529)	(69)	386,423
573	(25,280)	0	(24,707)
0	0	0	173
591,167	56,793	(1,481)	765,940
1,420	5,821	614	(32,312)
5,592	20,642	5,874	37,390
19,247	11,255	0	33,223
7,056	20,341	(1,007)	(108,003)
<u>\$1,285,483</u>	<u>\$311,662</u>	<u>\$69,951</u>	<u>\$1,598,068</u>

CITY OF ST. PETERSBURG, FLORIDA

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments on a cost reimbursement basis.

Equipment Maintenance - This fund is used to account for vehicle and equipment maintenance, rental, and replacement.

Facilities Maintenance - This fund is used to account for the rental and maintenance of City Hall and other municipal office buildings.

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
COMBINING STATEMENT OF NET ASSETS
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2006**

	<u>EQUIPMENT MAINTENANCE</u>	<u>FACILITIES MAINTENANCE</u>	<u>PRINT SHOP</u>	<u>INFORMATION AND COMMUNICATION SERVICES</u>
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	\$ 2,304,682	\$ 2,588,638	\$ 39,854	\$ 1,954,807
Investments	19,447,798	0	0	3,442,205
Receivables				
Accounts	34,293	202	0	0
Accrued Interest	196,848	8,105	0	20,678
Inventories	543,677	0	4,394	6,190
Prepaid Expenses	<u>0</u>	<u>0</u>	<u>1,333</u>	<u>499,865</u>
Total Current Assets	<u>22,527,298</u>	<u>2,596,945</u>	<u>45,581</u>	<u>5,923,745</u>
NONCURRENT ASSETS				
Capital Assets				
Land	1,076,640	770,000	0	49,940
Buildings	3,222,482	7,183,607	0	7,594
Improvements	667,004	2,066,805	2,312	18,100
Machinery and Equipment	49,528,861	4,312,387	301,388	21,059,944
Accumulated Depreciation	<u>(36,732,165)</u>	<u>(7,360,399)</u>	<u>(296,046)</u>	<u>(16,444,432)</u>
Total Capital Assets	<u>17,762,822</u>	<u>6,972,400</u>	<u>7,654</u>	<u>4,691,146</u>
TOTAL ASSETS	<u>40,290,120</u>	<u>9,569,345</u>	<u>53,235</u>	<u>10,614,891</u>
LIABILITIES				
CURRENT LIABILITIES				
Vouchers and Accounts Payable	1,025,313	626,636	13,300	306,099
Accrued Salaries	47,410	18,317	4,982	171,180
Accrued Annual Leave	40,627	0	0	16,806
Due To Other Governmental Agencies	507	0	0	0
Other Accrued Liabilities				
Claims - Current Portion	0	0	0	0
Deposits and Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Liabilities	<u>1,113,857</u>	<u>644,953</u>	<u>18,282</u>	<u>494,085</u>
LONG-TERM LIABILITIES				
Accrued Annual Leave	251,746	35,056	1,576	379,788
Less Current Portion	(40,627)	0	0	(16,806)
Claims	0	0	0	0
Less Current Portion	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Long-term Liabilities	<u>211,119</u>	<u>35,056</u>	<u>1,576</u>	<u>362,982</u>
TOTAL LIABILITIES	<u>1,324,976</u>	<u>680,009</u>	<u>19,858</u>	<u>857,067</u>
NET ASSETS				
Invested in Capital Assets, Net of Related Debt	17,762,822	6,972,400	7,654	4,691,146
Unrestricted	<u>21,202,322</u>	<u>1,916,936</u>	<u>25,723</u>	<u>5,066,678</u>
TOTAL NET ASSETS	<u>\$ 38,965,144</u>	<u>\$ 8,889,336</u>	<u>\$ 33,377</u>	<u>\$ 9,757,824</u>

See accompanying Independent Auditor's Report.

<u>BILLING AND COLLECTIONS</u>	<u>CONSOLIDATED INVENTORY</u>	<u>INSURANCE</u>	<u>TOTAL</u>
\$ 8,514,310	\$ 450,586	\$ 8,482,501	\$ 24,335,378
998,440	0	17,703,940	41,592,383
959,643	8,282	25,701	1,028,121
54,598	0	109,640	389,869
0	581,250	0	1,135,511
21	0	3,159,341	3,660,560
<u>10,527,012</u>	<u>1,040,118</u>	<u>29,481,123</u>	<u>72,141,822</u>
0	0	0	1,896,580
0	282,620	0	10,696,303
4,483	1,656	0	2,760,360
528,071	47,360	67,158	75,845,169
<u>(438,079)</u>	<u>(182,765)</u>	<u>(63,394)</u>	<u>(61,517,280)</u>
94,475	148,871	3,764	29,681,132
<u>10,621,487</u>	<u>1,188,989</u>	<u>29,484,887</u>	<u>101,822,954</u>
366,871	143,718	120,282	2,602,219
143,712	8,118	20,087	413,806
30,405	0	0	87,838
708,904	0	0	709,411
0	0	4,332,200	4,332,200
<u>6,263,121</u>	<u>0</u>	<u>102,350</u>	<u>6,365,471</u>
<u>7,513,013</u>	<u>151,836</u>	<u>4,574,919</u>	<u>14,510,945</u>
269,399	13,514	46,705	997,784
<u>(30,405)</u>	<u>0</u>	<u>0</u>	<u>(87,838)</u>
0	0	18,805,000	18,805,000
0	0	<u>(4,332,200)</u>	<u>(4,332,200)</u>
<u>238,994</u>	<u>13,514</u>	<u>14,519,505</u>	<u>15,382,746</u>
<u>7,752,007</u>	<u>165,350</u>	<u>19,094,424</u>	<u>29,893,691</u>
94,475	148,871	3,764	29,681,132
<u>2,775,005</u>	<u>874,768</u>	<u>10,386,699</u>	<u>42,248,131</u>
<u>\$ 2,869,480</u>	<u>\$ 1,023,639</u>	<u>\$ 10,390,463</u>	<u>\$ 71,929,263</u>

CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006

	<u>EQUIPMENT MAINTENANCE</u>	<u>FACILITIES MAINTENANCE</u>	<u>PRINT SHOP</u>
OPERATING REVENUES			
Service Charges	\$ 11,912,089	\$ 0	\$ 376,774
Rentals	3,918,853	2,269,885	0
Total Operating Revenues	<u>15,830,942</u>	<u>2,269,885</u>	<u>376,774</u>
OPERATING EXPENSES			
Personal Services and Benefits	3,568,491	941,493	186,668
Supplies, Services and Claims	9,055,101	1,143,396	260,054
Depreciation	4,985,332	552,223	5,888
Total Operating Expenses	<u>17,608,924</u>	<u>2,637,112</u>	<u>452,610</u>
OPERATING INCOME (LOSS)	<u>(1,777,982)</u>	<u>(367,227)</u>	<u>(75,836)</u>
NONOPERATING REVENUES (EXPENSES)			
Earnings on Investments	803,681	79,792	678
Securities Lending Income	564,841	0	0
Securities Lending Expense			
Interest	(548,297)	0	0
Agent Fees	(6,618)	0	0
Gain (Loss) on Disposition of Capital Assets	552,962	202	0
Miscellaneous Revenues (Expenses)	0	4,087	0
Total Nonoperating Revenues (Expenses)	<u>1,366,569</u>	<u>84,081</u>	<u>678</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	<u>(411,413)</u>	<u>(283,146)</u>	<u>(75,158)</u>
CONTRIBUTIONS			
Capital Assets From (To) Other Funds			
Capital Assets In	1,255,936	554,167	0
Total Contributions	<u>1,255,936</u>	<u>554,167</u>	<u>0</u>
TRANSFERS			
Transfers From (To) Other Funds			
General Fund	0	0	90,000
Capital Project Funds	(100,000)	0	0
Total Transfers	<u>(100,000)</u>	<u>0</u>	<u>90,000</u>
CHANGE IN NET ASSETS	744,523	271,021	14,842
NET ASSETS - OCTOBER 1	<u>38,220,621</u>	<u>8,618,315</u>	<u>18,535</u>
NET ASSETS - SEPTEMBER 30	<u>\$ 38,965,144</u>	<u>\$ 8,889,336</u>	<u>\$ 33,377</u>

See accompanying Independent Auditor's Report.

<u>INFORMATION AND COMMUNICATIONS SERVICES</u>	<u>BILLING AND COLLECTIONS</u>	<u>CONSOLIDATED INVENTORY</u>	<u>INSURANCE</u>	<u>TOTAL</u>
\$ 10,323,199	\$ 7,468,392	\$ 1,001,906	\$ 44,487,538	\$ 75,569,898
192,730	0	0	0	6,381,468
<u>10,515,929</u>	<u>7,468,392</u>	<u>1,001,906</u>	<u>44,487,538</u>	<u>81,951,366</u>
5,546,799	4,886,809	289,153	797,416	16,216,829
3,529,406	2,819,023	78,013	39,352,777	56,237,770
<u>2,210,607</u>	<u>49,337</u>	<u>7,936</u>	<u>1,096</u>	<u>7,812,419</u>
<u>11,286,812</u>	<u>7,755,169</u>	<u>375,102</u>	<u>40,151,289</u>	<u>80,267,018</u>
<u>(770,883)</u>	<u>(286,777)</u>	<u>626,804</u>	<u>4,336,249</u>	<u>1,684,348</u>
294,491	476,551	14,615	845,912	2,515,720
108,352	30,146	0	495,520	1,198,859
(105,264)	(29,337)	0	(481,170)	(1,164,068)
(1,235)	(324)	0	(5,740)	(13,917)
(25,699)	(960)	(420)	(176)	525,909
<u>30,056</u>	<u>179,860</u>	<u>0</u>	<u>9,502</u>	<u>223,505</u>
<u>300,701</u>	<u>655,936</u>	<u>14,195</u>	<u>863,848</u>	<u>3,286,008</u>
<u>(470,182)</u>	<u>369,159</u>	<u>640,999</u>	<u>5,200,097</u>	<u>4,970,356</u>
110,321	619	0	0	1,921,043
<u>110,321</u>	<u>619</u>	<u>0</u>	<u>0</u>	<u>1,921,043</u>
30,000	0	0	0	120,000
0	0	0	0	(100,000)
<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,000</u>
(329,861)	369,778	640,999	5,200,097	6,911,399
<u>10,087,685</u>	<u>2,499,702</u>	<u>382,640</u>	<u>5,190,366</u>	<u>65,017,864</u>
<u>\$ 9,757,824</u>	<u>\$ 2,869,480</u>	<u>\$ 1,023,639</u>	<u>\$ 10,390,463</u>	<u>\$ 71,929,263</u>

**CITY OF ST. PETERSBURG, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2006**

	<u>EQUIPMENT MAINTENANCE</u>	<u>FACILITIES MAINTENANCE</u>	<u>PRINT SHOP</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 15,818,339	\$ 2,273,970	\$ 376,774
Payments to Suppliers	(7,904,568)	(545,397)	(152,764)
Payments to Employees	(3,571,507)	(929,188)	(186,850)
Internal Activity - Payments to Other Funds	(829,376)	(465,373)	(103,818)
Claims Paid	0	0	0
Net Cash Provided (Used) by Operating Activities	<u>3,512,888</u>	<u>334,012</u>	<u>(66,658)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Intergovernmental Revenue	606	\$ 0	0
Transfers in	0	0	90,000
Transfers out	(100,000)	0	0
Net Cash Provided by (Used for) Noncapital Activity	<u>(99,394)</u>	<u>0</u>	<u>90,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	(5,584,965)	(2,616)	0
Proceeds from Sale of Capital Assets and Recoveries	583,696	202	0
Net Cash Used for Capital and Related Financing Activities	<u>(5,001,269)</u>	<u>(2,414)</u>	<u>0</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Investment Securities	(1,500,000)	0	0
Proceeds from Sale and Maturities of Investment Securities	129,098	0	0
Interest on Investments (Including Securities Lending Income)	1,488,253	71,685	678
Securities Lending Expenses and Fees	(554,915)	0	0
Net Cash Provided by (Used for) Investing Activities	<u>(437,564)</u>	<u>71,685</u>	<u>678</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,025,339)	403,283	24,020
CASH AND CASH EQUIVALENTS - OCTOBER 1	<u>4,330,021</u>	<u>2,185,355</u>	<u>15,834</u>
CASH AND CASH EQUIVALENTS - SEPTEMBER 30	<u>\$ 2,304,682</u>	<u>\$ 2,588,638</u>	<u>\$ 39,854</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities			
Operating Income (Loss)	(1,777,982)	(367,227)	(75,836)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities			
Depreciation	4,985,332	552,223	5,888
Other Revenue (Expenses)	0	4,085	0
(Increase) Decrease in Accounts Receivable	(12,603)	0	0
(Increase) Decrease in Inventory	92,139	0	1,216
(Increase) Decrease in Prepaid Expenses and Deposits	0	0	(158)
Increase (Decrease) in Vouchers and Accounts Payable	228,511	132,626	2,414
Increase (Decrease) in Accrued Salaries	1,212	1,674	350
Increase (Decrease) in Accrued Vacation	(4,228)	10,631	(532)
(Increase) Decrease in Due to Other Governmental Agencies	507	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>\$ 3,512,888</u>	<u>\$ 334,012</u>	<u>\$ (66,658)</u>
Noncash Investing, Capital, and Financing Activities			
Contributions of Capital Assets from Other Funds	\$ 1,255,936	\$ 554,167	\$ 0
Decrease in Claims	0	0	0
Increase (Decrease) in Fair Market Value of Investments	(71,040)	0	0

INFORMATION AND COMMUNICATION SERVICES	BILLING AND COLLECTIONS	CONSOLIDATED INVENTORY	INSURANCE	TOTAL
\$ 10,545,987	\$ 7,845,212	\$ 1,002,390	\$ 44,590,225	\$ 82,452,897
(3,265,575)	(287,512)	(726,813)	(38,756,912)	(51,639,541)
(5,506,068)	(4,860,794)	(278,503)	(796,798)	(16,129,708)
(680,161)	(2,277,688)	(81,128)	(89,544)	(4,527,088)
0	0	0	(4,890,361)	(4,890,361)
<u>1,094,183</u>	<u>419,218</u>	<u>(84,054)</u>	<u>56,610</u>	<u>5,266,199</u>
0	0	0	0	606
30,000	0	0	0	120,000
0	0	0	0	(100,000)
<u>30,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>20,606</u>
(1,652,946)	(54,995)	(13,696)	(1,411)	(7,310,629)
0	1,641	0	176	585,715
<u>(1,652,946)</u>	<u>(53,354)</u>	<u>(13,696)</u>	<u>(1,235)</u>	<u>(6,724,914)</u>
(1,003,750)	(1,000,000)	0	(9,500,000)	(13,003,750)
0	0	0	3,246,297	3,375,395
415,072	453,659	14,615	1,468,071	3,912,033
(106,499)	(29,661)	0	(486,910)	(1,177,985)
<u>(695,177)</u>	<u>(576,002)</u>	<u>14,615</u>	<u>(5,272,542)</u>	<u>(6,894,307)</u>
(1,223,940)	(210,138)	(83,135)	(5,217,167)	(8,332,416)
<u>3,178,747</u>	<u>8,724,448</u>	<u>533,721</u>	<u>13,699,668</u>	<u>32,667,794</u>
<u>\$ 1,954,807</u>	<u>\$ 8,514,310</u>	<u>\$ 450,586</u>	<u>\$ 8,482,501</u>	<u>\$ 24,335,378</u>
(770,883)	(286,777)	626,804	4,336,249	1,684,348
2,210,607	49,337	7,936	1,096	7,812,419
30,058	179,860	0	9,502	223,505
0	(100,870)	484	(4,437)	(117,426)
(6,190)	0	93,851	0	181,016
(237,697)	(21)	0	(1,770,302)	(2,008,178)
(172,443)	253,844	(823,779)	(2,554,738)	(2,933,565)
22,558	7,609	3,835	491	37,729
18,173	18,406	6,815	127	49,392
0	(167,417)	0	0	(166,910)
0	465,247	0	97,622	562,869
0	0	0	(59,000)	(59,000)
<u>\$ 1,094,183</u>	<u>\$ 419,218</u>	<u>\$ (84,054)</u>	<u>\$ 56,610</u>	<u>\$ 5,266,199</u>
\$ 110,321	\$ 0	\$ 0	\$ 0	\$ 1,920,424
0	0	0	(59,000)	(59,000)
(16,395)	(1,560)	0	(162,715)	(251,710)

CITY OF ST. PETERSBURG, FLORIDA

AGENCY FUNDS

CITY OF ST. PETERSBURG, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND
SEPTEMBER 30, 2006

	<u>BALANCE</u> 9-30-05	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> 9-30-06
ASSETS				
Cash and Cash Equivalents	\$ 484,696	\$ 31,985,805	\$ 31,854,924	\$ 615,577
Accounts Receivable				
Other	500	9,884	5,265	5,119
Due from Other Governmental Agencies	<u>0</u>	<u>49,306,887</u>	<u>49,278,596</u>	<u>28,291</u>
TOTAL ASSETS	<u><u>\$ 485,196</u></u>	<u><u>\$ 81,302,576</u></u>	<u><u>\$ 81,138,785</u></u>	<u><u>\$ 648,987</u></u>
LIABILITIES				
Accounts Payable	\$ 5,194	\$ 16,815,446	\$ 16,817,804	\$ 2,836
Due to Other Governmental Agencies				
Pinellas County	458,208	522,167	458,208	522,167
Uncashed Checks	<u>21,794</u>	<u>124,234</u>	<u>22,044</u>	<u>123,984</u>
TOTAL LIABILITIES	<u><u>\$ 485,196</u></u>	<u><u>\$ 17,461,847</u></u>	<u><u>\$ 17,298,056</u></u>	<u><u>\$ 648,987</u></u>

See accompanying Independent Auditor's Report.

CITY OF ST. PETERSBURG, FLORIDA

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

CITY OF ST. PETERSBURG, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE (1)
SEPTEMBER 30, 2006 AND 2005

	2006	2005
GOVERNMENTAL FUNDS CAPITAL ASSETS		
Land	\$ 137,146,008	\$ 136,680,785
Buildings	332,732,824	310,913,361
Improvements and Infrastructure	318,350,248	281,833,685
Machinery and Equipment	73,724,101	67,552,213
Projects in Progress	33,687,522	68,597,874
TOTAL GOVERNMENTAL FUNDS CAPITAL ASSETS	895,640,703	\$ 865,577,918
INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE:		
General Fund Revenues	\$ 177,541,579	\$ 181,246,733
Special Revenue Fund Revenues	298,096,563	260,773,397
General Obligation Bonds	83,894,846	83,894,846
Special Assessment Revenues	4,859,923	4,859,923
Enterprise Fund Revenues	27,580,239	31,098,169
Internal Service Fund Revenues	2,413,070	2,419,075
Gifts	2,014,179	1,610,674
Forfeitures	408,781	410,329
Federal Grants	20,754,090	18,135,231
State Grants	6,696,202	6,716,202
County Grants	11,420,543	11,430,123
Other	210,345,399	213,367,927
Undetermined sources before September 30, 1961	49,615,289	49,615,289
TOTAL INVESTMENT IN GOVERNMENTAL FUNDS CAPITAL ASSETS BY SOURCE	\$ 895,640,703	\$ 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.

See accompanying Independent Auditor's Report.

CITY OF ST. PETERSBURG, FLORIDA
CAPITAL ASSETS USED IN THE OPERATIN OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY (1)
September 30, 2006

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS AND INFRASTRUCTURE	MACHINERY AND EQUIPMENT
General Government					
City Council	\$ 194,917	\$ 0	\$ 30,644	\$ 8,015	\$ 156,258
Mayor's Office	87,221	0	0	5,723	81,498
Legal	661,032	0	0	4,291	656,741
Intergovernmental Services	732,312	0	494	211,608	520,210
Internal Audit	41,539	0	0	0	41,539
Marketing	1,019,337	109,376	0	1,557	908,404
Non Departmental	47,794,194	29,674,511	13,752,520	3,144,784	1,222,379
Total	<u>50,530,552</u>	<u>29,783,887</u>	<u>13,783,658</u>	<u>3,375,978</u>	<u>3,587,029</u>
City Development					
Administration	32,466,990	12,743,277	10,413,364	9,126,626	183,723
Development Services	1,078,031	0	0	244,772	833,259
Downtown Enterprise Facilities	265,535,693	16,930,965	214,803,061	14,402,729	19,398,938
Economic Development and Property Management	15,093,283	5,700,367	8,428,718	729,441	234,757
Total	<u>314,173,997</u>	<u>35,374,609</u>	<u>233,645,143</u>	<u>24,503,568</u>	<u>20,650,677</u>
City Services					
Administration	1,248,378	126,443	724,840	112,438	284,657
Capital Improvements	1,026,005	19,488	30,618	743,459	232,440
Parks	92,645,769	41,005,035	13,080,211	34,362,416	4,198,107
Recreation	42,523,887	5,344,782	24,888,327	9,607,702	2,683,076
Total	<u>137,444,039</u>	<u>46,495,748</u>	<u>38,723,996</u>	<u>44,826,015</u>	<u>7,398,280</u>
Internal Services					
Administration	22,775	0	1,457	717	20,601
Budget and Management	68,924	0	0	1,776	67,148
Finance	292,852	0	0	0	292,852
Human Resources	201,521	0	0	5,741	195,780
Purchasing and Material Management	61,418	0	0	0	61,418
Total	<u>647,490</u>	<u>0</u>	<u>1,457</u>	<u>8,234</u>	<u>637,799</u>
Midtown Economic Development					
Administration	1,620,848	588,265	0	916,163	116,420
Special Projects	415,825	398,612	0	0	17,213
Total	<u>2,036,673</u>	<u>986,877</u>	<u>0</u>	<u>916,163</u>	<u>133,633</u>
Neighborhood Services					
Administration	2,010,133	1,523,157	19,967	295,833	171,176
Codes Compliance and Assistance	159,374	0	0	687	158,687
Housing and Community Development	15,146,439	11,018,484	1,109,913	2,743,507	274,535
Libraries	23,730,749	466,478	10,034,841	1,275,301	11,954,129
Total	<u>41,046,695</u>	<u>13,008,119</u>	<u>11,164,721</u>	<u>4,315,328</u>	<u>12,558,527</u>
Public Safety					
Fire and Emergency Medical Service	25,706,669	1,651,694	12,316,886	125,910	11,612,179
Police	23,811,140	838,937	8,884,746	383,960	13,703,497
Total	<u>49,517,809</u>	<u>2,490,631</u>	<u>21,201,632</u>	<u>509,870</u>	<u>25,315,676</u>
Public Works					
Parking	14,947,712	50,023	12,185,621	1,428,354	1,283,714
Engineering	251,608,214	8,956,114	2,026,596	238,466,738	2,158,766
Total	<u>266,555,926</u>	<u>9,006,137</u>	<u>14,212,217</u>	<u>239,895,092</u>	<u>3,442,480</u>
Total	<u>861,953,181</u>	<u>\$ 137,146,008</u>	<u>\$ 332,732,824</u>	<u>\$ 318,350,248</u>	<u>\$ 73,724,101</u>
Projects in Progress	<u>33,687,522</u>				
Total Governmental Funds Capital Assets	<u>\$ 895,640,703</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.

See accompanying Independent Auditor's Report.

CITY OF ST. PETERSBURG, FLORIDA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY (1)
FISCAL YEAR ENDED SEPTEMBER 30, 2006

FUNCTION AND ACTIVITY	BALANCE 10/1/2005	ADDITIONS	DELETIONS	BALANCE 9/30/2006
General Government				
City Council	\$ 195,283	\$ 0	\$ 366	\$ 194,917
Mayor's Office	87,619	0	398	87,221
Legal	642,087	20,422	1,477	661,032
Intergovernmental Services	671,598	65,044	4,330	732,312
Internal Audit	44,954	3,234	6,649	41,539
Marketing	1,070,291	16,038	66,992	1,019,337
Non Departmental	48,643,690	199,132	1,048,628	47,794,194
Total	51,355,522	303,870	1,128,840	50,530,552
City Development				
Administration	32,221,990	245,000	0	32,466,990
Development Services	1,091,811	0	13,780	1,078,031
Downtown Enterprise Facilities	248,595,093	25,786,481	8,845,881	265,535,693
Economic Development and Property Mgmt.	12,659,060	2,435,335	1,112	15,093,283
Total	294,567,954	28,466,816	8,860,773	314,173,997
City Services				
Administration	1,253,160	15,673	20,455	1,248,378
Capital Improvements	673,075	362,294	9,364	1,026,005
Parks	90,865,772	1,824,458	44,461	92,645,769
Recreation	37,824,815	5,684,078	985,006	42,523,887
Total	130,616,822	7,886,503	1,059,286	137,444,039
Internal Services				
Administration	23,615	0	840	22,775
Budget and Management	66,646	2,347	69	68,924
Finance	295,371	0	2,519	292,852
Human Resources	204,229	0	2,708	201,521
Purchasing and Materials Management	59,996	1,521	99	61,418
Total	649,857	3,868	6,235	647,490
Midtown Economic Development				
Administration	1,608,250	12,598	0	1,620,848
Special Projects	414,675	1,150	0	415,825
Total	2,022,925	13,748	0	2,036,673
Neighborhood Services				
Administration	1,814,074	198,472	2,413	2,010,133
Codes Compliance and Assistance	159,783	3,591	4,000	159,374
Housing and Community Development	13,143,182	2,005,650	2,393	15,146,439
Libraries	22,604,570	1,156,430	30,251	23,730,749
Total	37,721,609	3,364,143	39,057	41,046,695
Public Safety				
Fire and Emergency Medical Service	24,295,352	1,429,677	18,360	25,706,669
Police	19,207,551	5,141,348	537,759	23,811,140
Total	43,502,903	6,571,025	556,119	49,517,809
Public Works				
Transportation and Parking	14,831,950	118,732	2,970	14,947,712
Engineering	221,710,502	29,908,820	11,108	251,608,214
Total	236,542,452	30,027,552	14,078	266,555,926
Total	796,980,044	76,637,525	11,664,388	861,953,181
Projects in Progress	68,597,874	45,274,857	80,185,209	33,687,522
Total Governmental Funds Capital Assets	\$ 865,577,918	\$ 121,912,382	\$ 91,849,597	\$ 895,640,703

(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.

See accompanying Independent Auditor's Report.

III. STATISTICAL SECTION

The Statistical Section of the Comprehensive Annual Financial Report for the City of St. Petersburg is intended to provide financial statement users with additional historical perspective, context, and detail to assist in using information in the financial statements, notes to financial statements, and required supplementary information to understand and assess the City's economic condition. This section includes statistics for the City (i.e., the primary government) only and does not include the City's discretely presented component unit.

The Statistical Section is unaudited and statement users will find a footnote page for each of the five sections located at the end of each section of statistical information.

FINANCIAL

TRENDS

INFORMATION

CITY OF ST. PETERSBURG, FLORIDA
CHANGES IN NET ASSETS
LAST TWO FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year Ended	
	2006	2005
Expenses		
Government Activities:		
General Government	\$ 38,890,280	\$ 35,376,425
Community and Economic Development	23,118,591	23,753,079
Police	76,624,860	79,183,547
Fire and EMS	40,308,068	41,361,870
Public Works	16,736,533	15,319,318
Recreation and Culture	56,989,140	55,947,069
Interest on Long-Term Debt	8,460,750	9,934,466
Total Governmental Activities Expenses	261,128,222	260,875,774
Business-type Activities:		
Water and Waste Water Utility	92,372,926	83,236,468
Stormwater Utility	10,557,972	9,362,330
Sanitation	37,011,687	36,395,779
Airport	1,179,348	1,053,778
Port	935,396	1,193,374
Marina	2,089,724	1,629,348
Golf Course	4,024,632	3,708,876
Jamestown Complex	491,610	496,480
Total Business-type Activities	148,663,295	137,076,433
Total Primary Government Expenses	409,791,517	397,952,207
Program Revenues		
Governmental Activities:		
Charges for Services:		
General Government	16,757,687	16,067,460
Community and Economic Development	8,254,079	7,121,735
Police	3,532,681	3,080,544
Fire and EMS	11,696,836	11,885,366
Public Works	4,988,787	4,659,403
Recreation and Culture	10,640,191	11,269,812
Operating Grants and Contributions	11,115,500	12,755,621
Capital Grants and Contributions	2,466,886	1,767,840
Total Governmental Activities Program Revenues	69,452,647	68,607,781
Business-type Activities:		
Water and Waste Water Utility	91,037,459	86,836,114
Stormwater Utility	10,701,022	10,454,575
Sanitation	36,838,448	30,921,254
Airport	746,510	684,057
Port	329,801	731,059
Marina	2,069,414	2,083,301
Golf Course	3,870,667	3,628,771
Jamestown Complex	484,256	466,883
Operating Grants and Contributions	275,111	2,803,156
Capital Grants and Contributions	9,393,461	2,635,519
Total Business-type Activities Program Revenues	155,746,149	141,244,689
Total Primary Government Program Revenues	\$ 225,198,796	\$ 209,852,470
Net (Expense) Revenue		
Government Activities	\$ (191,675,575)	\$ (192,267,993)
Business-type Activities	7,082,852	4,168,256
Total Primary Government Program Revenues	\$ (184,592,723)	\$ (188,099,737)
General Revenues and Other Changes in Net Assets		
Government Activities:		
Taxes		
Property Tax, Levied for general purposes	\$ 92,136,696	\$ 81,667,102
Utility Tax	36,770,897	34,812,250
Sales Tax - County	24,902,796	24,256,313
Sales Tax	16,822,847	16,585,300
Franchise Tax	19,159,164	16,411,585
State Tax Revenue Sharing	9,318,220	9,126,466
Tourist Development Tax	4,641,156	4,511,048
Occupational Tax	2,987,101	2,949,360
Gasoline Tax	2,568,901	2,582,145
Tax Increment	3,539,967	2,938,052
Miscellaneous Taxes	392,397	340,379
Earnings on Unrestricted Investments	13,271,909	6,227,164
Gain (Loss) on Sale of Capital Assets	73,257	3,081,430
Miscellaneous Income	2,792,709	4,268,918
Transfers	4,883,063	11,620,581
Total Governmental Activities	234,261,080	221,378,093
Business-type Activities:		
Earnings on Unrestricted Investments	13,663,598	5,242,096
Gain (Loss) on Sale of Capital Assets	315,042	537,138
Miscellaneous Income	676,980	537,331
Transfers	(4,883,063)	(11,620,581)
Total Business-type Activities	9,772,557	(5,304,016)
Total Primary Government	\$ 244,033,637	\$ 216,074,077
Change in Net Assets		
Governmental Activities	\$ 42,585,505	\$ 29,110,100
Business-type Activities	16,855,409	(1,135,760)
Total Primary Government	\$ 59,440,914	\$ 27,974,340

**CITY OF ST. PETERSBURG, FLORIDA
NET ASSETS BY COMPONENT
LAST TWO FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year	
	2006	2005
Governmental Activities		
Invested in capital assets, net of related debt	\$ 412,822,949	\$ 389,110,832
Restricted	67,084,917	58,418,792
Unrestricted	135,247,000	125,039,737
Total Governmental Activities Net Assets	615,154,866	572,569,361
 Business-type Activities		
Invested in capital assets, net of related debt	410,673,072	374,879,336
Restricted	1,144,952	6,514,493
Unrestricted	161,521,964	175,090,750
Total Business-type Activities Net Assets	573,339,988	556,484,579
 Primary Government		
Invested in capital assets, net of related debt	823,496,021	763,990,168
Restricted	68,229,869	64,933,285
Unrestricted	296,768,964	300,130,487
Total Primary Government Net Assets	1,188,494,854	1,129,053,940

CITY OF ST. PETERSBURG, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TWO FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year	
	2006	2005
General Fund		
Reserved	\$ 773,106	\$ 909,925
Unreserved	34,205,129	30,968,390
Total Governmental Activities Net Assets	34,978,235	31,878,315
All Other Governmental Funds		
Reserved, Reported In:		
All Other Governmental Funds	6,786,121	16,100,593
Debt Service Funds	14,015,143	13,652,882
Unreserved, Reported In:		
Special Revenue Funds	50,453,733	44,510,034
Capital Projects Funds	58,905,177	53,568,320
Debt Service Funds	0	0
Total of All Other Governmental Funds	\$ 130,160,174	\$ 127,831,829

CITY OF ST. PETERSBURG, FLORIDA
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended	
	2006	2005
REVENUES		
Taxes	\$ 151,053,858	\$ 135,840,296
Licenses and Permits	6,073,723	5,296,169
Fines and Forfeitures	3,602,615	3,231,708
Charges for Services and User Fees	26,578,202	27,039,113
Chargres for General Administration	6,941,316	6,606,010
Intergovernmental Revenue		
Federal, State and Other Grants	8,898,663	9,286,496
State - Sales Tax	16,822,847	16,585,300
State - Revenue Sharing	3,125,820	3,125,820
State - Housing Improvement Program	2,346,040	2,516,001
State - Other ⁽¹⁾	6,715,602	6,503,905
Pinellas County - Gasoline Tax	2,367,937	2,390,990
Pinellas County - Sales Tax	24,902,796	24,256,313
Pinellas County - Tourist Development	4,641,156	4,511,048
Pinellas County - Tax Increment	3,539,967	2,938,052
Pinellas County - Pedestrian Improvement Program	70,158	28,276
Total	73,430,986	72,142,201
Use of Money and Property		
Earnings on Investments	6,899,894	4,073,443
Other Interest Revenue ⁽²⁾	27,470	86,219
Securities Lending	2,611,489	1,374,992
Interest on Assessments	18,477	49,601
Rentals	2,704,482	2,443,678
Total	12,261,812	8,027,933
Miscellaneous		
Contributions	1,127,690	2,557,812
Assessments	767,662	1,031,694
Dispositions of Property	2,598,908	2,884,548
Other ⁽³⁾	4,187,106	4,478,609
Total	8,681,366	10,952,663
TOTAL REVENUES	\$ 288,623,878	\$ 269,136,093
EXPENDITURES		
Current Operations		
General Government	\$ 25,835,810	\$ 23,994,466
Community and Economic Development	21,198,580	23,692,898
Public Works	9,593,057	8,743,948
Public Safety		
Police	76,280,753	75,628,391
Fire and EMS	40,130,075	39,589,073
Recreation and Culture	45,909,738	45,128,432
Securities Lending		
Interest	2,536,216	1,304,417
Agent Fees	30,109	28,302
Debt Service		
Principal Payments	22,645,000	18,500,000
Interest Payments	8,124,546	8,009,186
Remarketing and Other Fees	64,124	47,889
Bond Costs	54,124	97,052
Capital Outlay	47,683,621	42,631,159
TOTAL EXPENDITURES	300,085,753	287,395,213
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(11,461,875)	(18,259,120)
OTHER FINANCING SOURCES (USES)		
Transfers In	152,281,342	142,887,785
Transfers Out	(142,412,660)	(131,221,193)
Loan Proceeds	7,593,145	16,527,000
TOTAL OTHER FINANCING SOURCES (USES)	17,461,827	28,193,592
NET CHANGE IN FUND BALANCE	\$ 5,999,952	\$ 9,934,472
Debt Services as % of Non-capital Expenditures ⁽⁴⁾	12.81%	10.83%

**CITY OF ST. PETERSBURG, FLORIDA
FINANCIAL TRENDS STATISTICS - FOOTNOTES
SEPTEMBER 30, 2006**

Financial trends information is presented to assist users in understanding and assessing how the City's financial position has changed over time.

<u>Page Number</u>	<u>Footnote Number</u>	
G-4	1	State-other revenue includes State shared revenue for alcoholic beverage tax, cigarette tax, fire fighter's supplemental comp. tax, fuel tax rebates, mobile home tax, and state aid to cities.
	2	Other interest revenue includes miscellaneous earning on other investments.
	3	Miscellaneous revenue includes parks and recreation other service charges, other prior year recoveries, short and over revenue, other licenses and permits, other capital recovery, other transportation service revenue and other miscellaneous revenues of minor dollar amounts.
	4	Debt service as a % of noncapital expenditures is calculated by dividing debt service by total revenue net of capital outlay.

REVENUE

CAPACITY

INFORMATION

CITY OF ST. PETERSBURG, FLORIDA
TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY (1)
LAST TWO FISCAL YEARS
(In Thousands)

Tax Year	Residential Property	Commercial Property	Industrial Property	Non Agricultural Property		Institutional Property	Government Property	Mobil Home Property	Other Property	Less: Tax Exempt Property (2)	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Value (3)
				Agricultural Property	Property								
2004	12,816,625	2,179,517	357,154	6,805	783,710	1,112,103	401	133,717	6,601,623	10,788,409	7.09	12,690,000	
2005	15,230,443	2,532,931	398,332	6,265	782,167	1,293,602	50,024	170,461	7,893,359	12,570,866	6.95	14,780,000	

DIRECT AND OVERLAPPING PROPERTY TAX RATES ⁽¹⁾
LAST TEN FISCAL YEARS
In Mills, Per \$1,000 of Assessed Value

Fiscal Year	City Of St. Petersburg Direct Rates				Pinellas County				Overlapping Rates ⁽²⁾		
	General Obligation Debt Service				County Board Rate	School Board Rate	EMS Rate	Others Districts Rate ⁽³⁾	Suncoast Transit Authority Rate		
	Basic Rate	Voted Rate	Total Direct Rate	Rate							
1996-97	7.4620	0.0000	7.8902	5.5140	9.1760	0.7410	1.6561	0.6697			
1997-98	7.3500	0.0000	7.7751	5.5100	9.1330	0.7130	1.6561	0.6697			
1998-99	7.3500	0.0000	7.5610	5.5380	9.1100	0.7130	1.6561	0.6501			
1999-00	7.2500	0.0000	7.9235	5.5380	8.6660	0.6470	1.6561	0.6501			
2000-01	7.1500	0.0000	7.2903	5.8540	8.4330	0.7470	1.6562	0.6501			
2001-02	7.1400	0.0000	7.1400	6.0040	8.4870	0.6600	1.6562	0.6501			
2002-03	7.1400	0.0000	7.1400	6.1410	8.4490	0.6600	1.6562	0.6319			
2003-04	7.0900	0.0000	7.0900	6.1410	8.2430	0.6600	1.6562	0.6319			
2004-05	7.0900	0.0000	7.0900	6.1410	8.1220	0.6600	1.6557	0.6377			
2005-06	6.9500	0.0000	6.9500	6.1410	8.3900	0.6600	1.6555	0.6377			

**CITY OF ST. PETERSBURG, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
FISCAL YEAR ENDED SEPTEMBER 30, 2006 AND 1997**

2006		1997							
Principal Taxpayer	Business Type	Taxable Assessed Value (1)	Rank	Percentage of Total Assessed Value	Principal Taxpayer	Business Type	Taxable Assessed Value (2)	Rank	Percentage of Total Assessed Value
Raymond James & Associates	Investment Brokers	118,827,000	1	0.78%	Raymond James & Associates	Investment Brokers	44,832,970	5	0.60%
De Bartolo Capital Partnership	Retail Mall	116,500,000	2	0.77%	Tyrone Square	Retail Mall	71,479,900	3	1.00%
Prospect-Marathon Coquina LLC	Developer - Property	73,010,900	3	0.48%					
Franklin/Templeton Investor Service	Investment Brokers	70,005,300	4	0.46%					
McRae and Slotz	Developer - Property	57,351,500	5	0.38%					
DRA CRT St. Petersburg Center	Equity REIT	54,663,600	6	0.36%					
One Progress Plaza II	Real Estate	44,547,000	7	0.29%					
Northwoods LTD Partnership	Developer - Property	41,557,400	8	0.27%					
Vinoy Park Hotel Company	Vinoy Park Hotel	40,000,000	9	0.26%	Vinoy Park Hotel	Resort Hotel	41,577,510	7	0.60%
Kings Lynn Lake Apts. LLC	Real Estate	34,800,000	10	0.23%					
		<u>651,262,700</u>		<u>4.30%</u>			<u>725,846,590</u>		<u>10.30%</u>

CITY OF ST. PETERSBURG, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS (1)
LAST TEN FISCAL YEARS

Fiscal Year	Tax Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1996-97	54,202,135	54,036,210	99.69	189,554	54,225,764	100.04
1997-98	55,174,635	54,861,414	99.78	207,821	55,069,235	99.81
1998-99	55,892,579	55,376,123	99.45	824,307	56,200,430	100.55
1999-00	62,432,802	61,089,656	99.17	442,804	61,532,460	98.56
2000-01	61,676,833	6,164,245	99.89	486,259	61,650,504	99.96
2001-02	67,100,491	66,438,266	99.74	194,534	66,632,800	99.30
2002-03	70,935,636	70,556,967	99.74	258,922	70,815,889	99.83
2003-04	76,471,927	76,129,677	99.89	266,864	76,396,541	99.90
2004-05	84,336,077	84,005,133	99.92	213,865	84,218,998	99.86
2005-06	95,171,019	94,864,935	99.90	0	94,864,935	99.68

CITY OF ST. PETERSBURG, FLORIDA
REVENUE CAPACITY STATISTICS - FOOTNOTES
SEPTEMBER 30, 2006

Revenue capacity information is presented to assist users in understanding and assessing the factors affecting the City's ability to generate its "own-source revenue". "Own-source revenue" is the most significant local revenue source. For the City of St. Petersburg this revenue source is the property tax.

Page Number	Footnote Number	Source and/or Explanation of Information
G-6	1	Pinellas County Property Appraiser.
	2	Includes leasehold interest and miscellaneous.
	3	Estimated actual value is calculated by dividing the total taxable assessed value by .85 (this value is net of exemptions).
G-7	1	Pinellas County Tax Collector.
	2	Overlapping rates are those of local and county governments that apply to property owners within the City of St. Petersburg.
	3	Other districts include Pinellas County Planning Council, Juvenile Welfare Board, SW Florida Water Management District, and Pinellas Anclote River Basin.
G-8	1	Pinellas County Property Appraiser. Total taxable assessed vlaue for 2006 is \$15,156,073,783.
	2	Pinellas County Property Appraiser. Total taxable assessed vlaue for 1997 is \$7,057,885,775.
G-9	1	Pinellas County Property Appraiser.
	2	Collections in subsequent years are paid and reported to the City from the County as one amount in the year received. Therefore, this will result in the Percentage of Levy in Total Collections to Date to be greater than 100%.

Additional information concerning property taxed is presented in the section titled Notes To Financial Statements on page D-23 and D-24 of the CAFR and includes Calendar of Property Tax Events, Tax Collections, and Tax Limitations per Florida Statutes.

DEBT

CAPACITY

INFORMATION

CITY OF ST. PETERSBURG, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	GOVERNMENTAL ACTIVITIES (1)					
	General Obligation Notes & Bonds	Public Improvement Revenue Bonds	Utility Tax Revenue Bonds	Pro Sports Facility Revenue Bonds	Excise Tax Revenue Bonds	Capital Improvement Revenue Bonds
1997	50,520,000	51,395,080	45,162,686	25,305,000	101,955,000	5,475,000
1998	49,220,000	52,899,244	41,125,608	27,860,000	100,770,000	5,475,000
1999	58,755,000	53,387,232	37,553,365	27,395,000	96,960,000	5,475,000
2000	55,895,000	52,490,450	33,660,000	26,905,000	93,005,000	5,475,000
2001	53,375,000	51,431,029	27,331,237	26,390,000	88,890,000	5,475,000
2002	48,000,000	50,242,176	19,221,754	25,850,000	84,615,000	5,280,000
2003	44,445,000	46,534,162	17,480,653	25,285,000	80,160,000	5,075,000
2004	37,768,000	42,664,107	15,558,898	27,185,000	75,520,000	4,855,000
2005	50,075,000	38,389,293	11,596,971	26,210,000	70,680,000	4,625,000
2006	50,380,000	33,916,388	11,458,248	25,295,000	65,630,000	4,380,000

Fiscal Year	BUSINESS-TYPE ACTIVITIES (1)				
	Water Resources Revenue Bonds and Notes	Stormwater Revenue Bonds	Airport Revenue Bonds	Golf Course Revenue Bonds	Total Primary Government
1997	61,200,000	0	6,900,000	1,520,000	352,432,766
1998	58,850,000	0	6,900,000	1,520,000	344,619,852
1999	80,432,000	20,478,000	6,640,000	1,520,000	388,595,597
2000	94,331,702	20,478,000	5,790,000	1,520,000	389,550,152
2001	93,730,486	20,478,000	4,120,000	1,255,000	372,475,752
2002	87,549,444	20,478,000	4,120,000	1,255,000	346,611,374
2003	132,740,052	20,478,000	2,930,000	970,000	376,097,867
2004	129,169,223	20,478,000	2,730,000	670,000	356,598,228
2005	135,892,068	20,478,000	2,520,000	345,000	360,811,332
2006	185,909,783	20,478,000	2,300,000	0	399,747,419

Fiscal Year	Percentage of Total Taxable Assessed Value (2)	Per Capita	Property Tax Value (3)	Permanent Population (4)
1997	0.0513	1,458.78	6,866,431,000	241,594
1998	0.0488	1,425.17	7,057,886,000	241,810
1999	0.0525	1,593.75	7,397,343,000	243,825
2000	0.0494	1,596.52	7,892,685,000	244,000
2001	0.0441	1,500.45	8,449,823,000	248,242
2002	0.0369	1,391.63	9,387,272,000	249,068
2003	0.0378	1,493.57	9,960,105,303	251,812
2004	0.0331	1,409.42	10,782,054,510	253,010
2005	0.0303	1,421.07	11,899,634,887	253,902
2006	0.0292	1,572.42	13,690,063,184	254,225

CITY OF ST. PETERSBURG, FLORIDA
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

GENERAL BONDED DEBT OUTSTANDING

Fiscal Year	General Obligation Bonds	Restricted to Repay Principal ⁽¹⁾	Net General Obligation Bonds	Percentage of Total Taxable Property Value	Property Tax Value ⁽²⁾
1997	7,700,000	1,110,000	6,600,000	0.0961%	6,866,431,000
1998	5,200,000	1,200,000	4,000,000	0.0567%	7,057,886,000
1999	4,000,000	1,705,024	2,297,976	0.0310%	7,397,343,000
2000	2,700,000	1,730,125	969,875	0.0123%	7,892,685,000
2001	1,400,000	1,400,000	0	0.0000%	8,449,823,000
2002	0	0	0	0.0000%	9,387,272,000
2003	0	0	0	0.0000%	9,960,105,303
2004	0	0	0	0.0000%	10,782,054,510
2005	0	0	0	0.0000%	11,899,634,887
2006	0	0	0	0.0000%	13,690,063,184

**CITY OF ST. PETERSBURG, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF SEPTEMBER 30, 2006**

<u>Governmental Unit</u>	<u>Debt Outstanding ⁽¹⁾</u>	<u>Estimated Percentage Applicable ⁽²⁾</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Pinellas County School Board	\$ 38,595,000	26.81%	\$ 10,347,320
Subtotal, Overlapping Debt			<u>10,347,320</u>
City Direct Debt ⁽³⁾			<u>190,249,636</u>
Total Direct and Overlapping Debt			<u><u>\$ 200,596,956</u></u>

**CITY OF ST. PETERSBURG, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST TWO FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed Value - January 1, 2006 ⁽¹⁾	\$	13,690,063,184
Debt Limit - Percentage of Taxable Assess Value ⁽²⁾		<u>0.125</u>
Legal Limitation for the Issuance of General Obligation Bonds		<u>1,711,257,898</u>
 Amount of Debt Applicable to Debt Limit		
 Legal Debt Margin		<u>1,711,257,898</u>

	Fiscal Year	
	2005	2006
Debt Limit	\$ 1,487,454,360	1,711,257,898
Total Net Debt Applicable to Limit	<u>0</u>	<u>0</u>
Legal Debt Margin	<u>\$ 1,487,454,360</u>	<u>\$ 1,711,257,898</u>
 Total Net Debt Applicable to the Limit as a Percentage of debt limit	 0.00%	 0.00%

CITY OF ST. PETERSBURG, FLORIDA
PLEGGED-REVENUE COVERAGE (1)
LAST TWO FISCAL YEARS

Utility Tax Revenue Bonds (2)						
Fiscal Year	Revenue	Debt Service		Coverage		
		Principal	Interest			
2005	34,808,613	2,195,000	626,000	12.34		
2006	36,772,627	2,295,000	529,000	13.02		

Professional Sports Facility Sales Tax Bonds (2)						
Fiscal Year	Revenue	Debt Service		Coverage		
		Principal	Interest			
2005	2,018,609	975,000	1,022,925	1.01		
2006	2,019,132	915,000	1,004,025	1.05		

Excise Tax Revenue Bonds (2)						
Fiscal Year	Revenue	Debt Service		Coverage		
		Principal	Interest			
2005	22,230,415	4,840,000	3,601,705	2.63		
2006	22,618,561	5,050,000	3,381,600	2.68		

Public Improvement Revenue Bonds (2)						
Fiscal Year	Revenue	Less: Net		Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2005	22,360,814	3,515,127	18,845,687	5,540,000	933,250	2.91
2006	25,834,295	3,668,472	22,165,823	5,540,000	933,250	3.42

Water Resources Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Net		Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2005	101,209,931	73,178,426	28,031,505	3,706,000	6,395,000	2.78
2006	112,801,286	79,246,759	33,554,527	4,307,000	6,913,000	2.99

Airport Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Net		Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2005	883,436	729,043	154,393	210,000	131,250	0.45
2006	2,015,079	818,367	1,196,712	220,000	120,500	3.51

Golf Course Revenue Bonds						
Fiscal Year	Utility Service Charges	Less: Net		Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2005	3,689,075	3,353,087	335,988	325,000	30,450	0.95
2006	3,937,805	3,726,962	210,843	345,000	10,350	0.59

**CITY OF ST. PETERSBURG, FLORIDA
DEBT CAPACITY STATISTICS - FOOTNOTES
SEPTEMBER 30, 2006**

Debt capacity information is presented to assist users in understanding and assessing the City's debt burden and ability to issue additional debt.

<u>Page Number</u>	<u>Footnote Number</u>	
G - 11	1	City of St. Petersburg 2006 Debt Supplement.
	2	Total primary government outstanding debt divided by Property tax value.
	3	Pinellas County Property Appraiser.
	4	Pinellas County Planning Department.
G - 12	1	Represents all funds held by Debt Service Funds less the amount provided for the payment of interest.
	2	Pinellas County Property Appraiser.
G - 13	1	Pinellas County School Board.
	2	Pinellas County Planning Department. Total population for the City of St. Petersburg (254,225) divided by total population for Pinellas County (948,102).
	3	City of St. Petersburg 2006 Debt Supplement Page B-1.
G - 14	1	Pinellas County Property Appraiser.
	2	Florida Statutes.
G - 15	1	Principal and interest amounts are from the City of St. Petersburg 2006 Debt Supplement.
	2	No operating expense column is shown since they are zero.

Additional details regarding the City's outstanding debt can be found in the section titled Notes to Financial Statements and the City's 2006 Debt Supplement.

Additional information concerning property taxes is presented in the section titled Notes to Financial Statements on page D-23 and D-24 and includes Calendar of Property Tax Events, Tax Collections, and Tax Limitations per Florida Statutes.

DEMOGRAPHIC

AND

ECONOMIC

INFORMATION

CITY OF ST. PETERSBURG, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS (1)
LAST TEN FISCAL YEARS

Fiscal Year	Permanent Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	Unemployment Rate (3)
1997	241,594	5,143,295	21,289	43.1	3.5
1998	241,810	6,230,235	25,765	41.2	3.3
1999	243,825	6,659,105	27,311	41.2	2.8
2000	244,000	5,921,548	28,367	44.4	2.7
2001	248,232	5,907,177	23,797	39.3	3.5
2002	249,168	5,632,692	22,606	39.0	5.1
2003	251,812	7,887,004	31,321	39.0	4.4
2004	253,010	5,938,651	23,472	40.3	3.9
2005	253,902	6,082,984	23,958	39.7	3.7
2006	254,225	6,723,234	26,446	41.4	3.2

**CITY OF ST. PETERSBURG, FLORIDA
PRINCIPAL EMPLOYERS (1)
CURRENT YEAR AND PRIOR YEAR**

Employer	2006			2005		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Raymond James & Associates	2,440	1	1.70%	2,285	1	1.70%
All Children's Health Systems, Inc.	2,300	2	1.60%	2,285	2	1.70%
Bayfront Medical Center, Inc.	2,300	3	1.60%	2,150	3	1.60%
Times Publishing Corporation	2,150	4	1.50%	2,150	4	1.60%
Jabil Circuit Company	1,860	5	1.30%	2,020	5	1.50%
Raytheon Company	1,720	6	1.20%	1,610	6	1.20%
HSN LP	1,580	7	1.10%	1,610	7	1.20%
Public Super Markets, Inc.	1,430	8	1.00%	1,340	8	1.00%
Advanced Newhouse Partnership	1,430	9	1.00%	1,210	9	0.90%
St. Anthony's Hospital, Inc.	1,290	10	0.90%	1,210	10	0.90%
Total	18,500		12.90%	17,870		13.30%

**CITY OF ST. PETERSBURG, FLORIDA
DEMOGRAPHIC AND ECONOMIC INFORMATION FOOTNOTES
SEPTEMBER 30, 2006**

Demographic and economic information is presented to assist the reader in understanding the environment within which the City's financial activities take place.

<u>Page Number</u>	<u>Footnote Number</u>	
G-17	1	City of St. Petersburg Economic Development Department.
G-18	1	City of St. Petersburg Economic Development Department.

**OPERATING
INFORMATION**

CITY OF ST. PETERSBURG, FLORIDA

**FULL AND PART TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM ⁽¹⁾
LAST TWO FISCAL YEARS**

	2006		2005	
	Full Time	Part Time	Full Time	Part Time
General Government	436	112	435	149
Community and Economic Development	194	14	192	13
Police	754	6	774	7
Fire and EMS	355	1	340	1
Public Works	142	73	141	72
Recreation and Culture	361	301	364	284
Water and Waste water Utility	324	4	325	2
Stormwater Utility	64	0	65	0
Sanitation	204	3	202	5
Airport	4	0	4	0
Port	7	4	7	3
Marina	12	5	12	6
Golf Courses	27	43	25	36
Jamestown Complex	5	0	5	0
Total City-Wide	<u>2,889</u>	<u>566</u>	<u>2,891</u>	<u>578</u>

CITY OF ST. PETERSBURG, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TWO FISCAL YEARS

Function/Program	2006	2005
General Government		
Parking (1)		
Southcore parking garage (number of monthly contract users)	146,000	144,000
Southcore parking garage (number of daily users)	41,000	41,000
Midcore parking garage (number of monthly contract users)	70,000	84,000
Midcore parking garage (number of daily users)	500,000	412,000
Utility Accounts (2)		
Utility Customers	93,348	93,300
Meters Read	1,146,731	1,149,000
Bills Produced	1,110,891	1,109,000
Community and Economic Development		
Economic Development (3)		
Occupational Licenses Issued	17,750	17,240
Total Available Downtown Office Space (000's)	2,365	2,522
Occupancy Rate	92%	92%
Total Available Gateway/mid Pinellas Office Space (000's)	3,960	3,801
Occupancy Rate	87%	83%
Total Existing and Available Industrial Space St. Petersburg Gateway	31,615	31,263
Occupancy Rate	95%	94%
Total Existing and Available Retail Space City Wide	5,600	6,300
Occupancy Rate	96%	95%
Permitting and Community Codes (4)		
Building Permits Issued	24,932	28,319
Total Construction Value	563,614,574	412,922,518
Neighborhood Services (5)		
Neighborhood Services - Codes Compliance		
Cases Opened From Citizen Complaints	11,578	14,436
Cases Opened Internally and By Survey	9,970	9,762
Number of Legal Actions By:		
Specials Magistrate and Code Enforcement Board	4,473	5,137
Court Action (Ordinance Violations)	480	322
Police (6)		
Citizen Calls for Service	113,138	110,986
UCR Part I Crimes (City) (7)	18,438	118,499
UCR Part I Arrests (City) (8)	2,663	2,929
UCR Part II Arrests (City) (9)	9,467	9,683
Priority One Calls for Service	2,294	2,540
Average Priority One Travel Time (Minutes)	4.2	4.1
Average Priority One Response Time (Minutes)	5.5	5.5
Fire and EMS (10)		
Fire and Emergency Responses	32,330	42,782
Fire Average Response Time (Minutes)	4:35	4:38
Rescue Average Response Time (Minutes)	4:12	4:11
Recreation and Culture		
Libraries (11)		
Items Circulated	1,065,759	1,078,684
Facility Use (Number of Patrons Visiting)	1,243,015	1,092,019
Internet/Computer Use	348,946	300,163

CITY OF ST. PETERSBURG, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TWO FISCAL YEARS

Function/Program	2006	2005
General Government (Continued)		
Parks and Recreation (12)		
Recreation Centers		
Attendance	854,294	903,044
Rate of Recovery	45.5%	47.18%
Swimming Pools		
Attendance	252,442	255,457
Rate of Recovery	26.46%	28.63%
Multi-Service and Adult Centers		
Attendance	399,099	380,013
Rate of Recovery	18.75%	16.99%
Sanitation (13)		
Commercial Waste Customers	6,928	5,673
Residential Waste Customers	48,572	78,225
Special Services		
Pick-up Requests	6,519	7,354
Recycling Centers	59	56
Tons of Yard Waste	41,820	58,144
Water Resources (14)		
Potable Water		
Per Capita Usage Per Day (Gross)	96	93
Gallons Pumped Per Day (MGD)	32.1	31.7
New Installations	805	743
Wastewater Treatment and Reclamation		
Total Number of Reclaimed Customers	10,735	10834
Number of New Installations	182	145
Average Reclaimed Water Annual Use vs. Deep Well Injection (MGD)	20.95/18	20.6/18.2
Number of Gallons Pumped (In thousands)	20,150	19,650
Stormwater (15)		
Number of Acres of Retention Ponds & Drainage Ditches Mowed	1,136	1,136
Street Sweeping - Miles Swept (Residential, Commercial & Interstate)	35,300	37,380
Airport (16)		
Leases (Expired/Renewal/New)	7	5
Total Lease Value	708,000	684,000
Number of Airport Operations	78,590	83,017
Number of Based Aircraft	183	183
Port (17)		
Leases (Expired/Renewal/New) (18)	0	4
Warehouse Capacity Rented (18)	0%	90%
Number of Ship Days Per Year	882	874
Number of Visiting Ships	90	182
Marina (19)		
Occupancy Rate	97%	98%
Golf Courses (20)		
Number of Rounds Per Year	77,076	79,333
Mangrove Bay	29,505	27,442
Twin Brooks	38,743	31,322
Cypress Links		
Jamestown Complex (21)		
Vacancy Rate	9.00%	5.00%

CITY OF ST. PETERSBURG, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM (1)
LAST TWO FISCAL YEARS

Function/Program	2006	2005
Police (2)		
Stations	1	1
Sub-stations	1	1
Patrol Units	378	392
Fire and EMS (3)		
Stations	13	13
Fire Fighting Units	21	19
Rescue Units	19	17
Public Works (4)		
Streets and Alleys (Number)	1,341	1,341
Streets and Alleys (Miles)	262	262
Seawalls and Retaining Walls (Number)	12	12
Seawalls and Retaining Walls (Miles)	20	20
Bridges (Number)	79	79
Culverts (Number)	185	185
Recreation and Culture		
Libraries (5)	6	6
Recreation and Parks (6)		
Parks	137	137
Park Acres	2,300	2,292
Recreation Centers	16	16
Swimming Pools	9	9
Tennis Courts	79	79
Dog Parks	5	5
Public Beaches	5	5
Water and Wastewater Utility Resources (7)		
Water Mains (Miles)	1,530	1,530
Potable Water Mains Replaced (Linear Feet)	325,000	262,728
Sanitary Sewer Collection Mains (Miles)	912	912
Sanitary Sewer Pipe Replacement (Linear Feet)	16,000	11,648
Sanitary Sewer Pipe Rehabilitation CIPP Lining (Linear Feet)	1,000,000	1,014,099
Reclaimed Water Lines	300 Miles	291 Miles
Water Reclamation Treatment Plants	4	4
Stormwater Utility (8)		
Storm Drainage - Miles of Pipe	500	483
Catch Basins	14,000	13,500
Grate Inlets	850	835
Culverts	185	185
Seawalls in Miles	12	12
Sanitation (9)		
Refuse Collection Vehicles	223	218
Marina (10)		
Slips	610	610
Number of Transient Boats Docked	222	474
Golf Courses (11)		
Number of Golf Courses	3	3
Jamestown Complex (12)		
Number of Units	72	72

CITY OF ST. PETERSBURG, FLORIDA
OPERATING STATISTICS - FOOTNOTES
SEPTEMBER 30, 2006

Operating information is presented to provide service and infrastructure data to aid the reader in understanding how the information in the City's financial statements relates to the services the City provides and the activities it performs.

Page Number	Footnote Number	Source and/or Explanation of Information
G-20	1	City of St. Petersburg Human Resources Department. Number of full time and part time employees as of September 30 of the respective years.
G-21	1	City of St. Petersburg Transportation and Parking Management Department.
	2	City of St. Petersburg Billing and Collections Department.
	3	City of St. Petersburg Economic Development Department.
	4	City of St. Petersburg Permits Department.
	5	City of St. Petersburg Codes Compliance Department.
	6	City of St. Petersburg Police Department Planning and Accrediation Unit.
	7	Uniform Crime Report (UCR) - Numbers reflect the crimes reported by the local agencies (primarily Sheriff Offices and Police Departments) to Florida Department of Law Enforcement. The UCR does not include all offences reported to the police.
	8	UCR Part I - Arrest data includes murder, forcible rape, robbery, aggravated assault, burglary, larceny, motor vehicle theft and manslaughter.
	9	UCR Part II - Arrest data includes kidnap, arson, simple assault, drug sales, drug possession, bribery, embezzlement, fraud, forgery, extortion, etc.
	10	City of St. Petersburg Fire and EMS Department.
	11	City of St. Petersburg Library Department.
	12	City of St. Petersburg Parks and Recreation Departments.
	13	City of St. Petersburg Sanitation Department.
	14	City of St. Petersburg Water Resources Department.
	15	City of St. Petersburg Stormwater Department.
	16	City of St. Petersburg Airport.
	17	City of St. Petersburg Port.
	18	City of St. Petersburg Port - All leases expired not renewed. Major Capital Improvement for warehouse renovation scheduled to begin in fiscal year 2007.
	19	City of St. Petersburg Marina.
	20	City of St. Petersburg Golf Courses Department.
	21	City of St. Petersburg Jamestown Complex.
G-22	1	No capital asset indicators are available for the General Government, Community and Economic Development, Airport and the Port.
	2	City of St. Petersburg Police Department.
	3	City of St. Petersburg Fire and EMS Department.
	4	City of St. Petersburg Public Works Department.
	5	City of St. Petersburg Library Department.
	6	City of St. Petersburg Parks and Recreation Departments.
	7	City of St. Petersburg Water Resources Department.
	8	City of St. Petersburg Stormwater Department.
	9	City of St. Petersburg Sanitation Department.
	10	City of St. Petersburg Marina.
	11	City of St. Petersburg Golf Courses Department.
	12	City of St. Petersburg Jamestown Complex. Of 72 units, 17 will be demolished in Fiscal Year 2007.

ST PETERSBURG Florida



America's Most Livable Community

