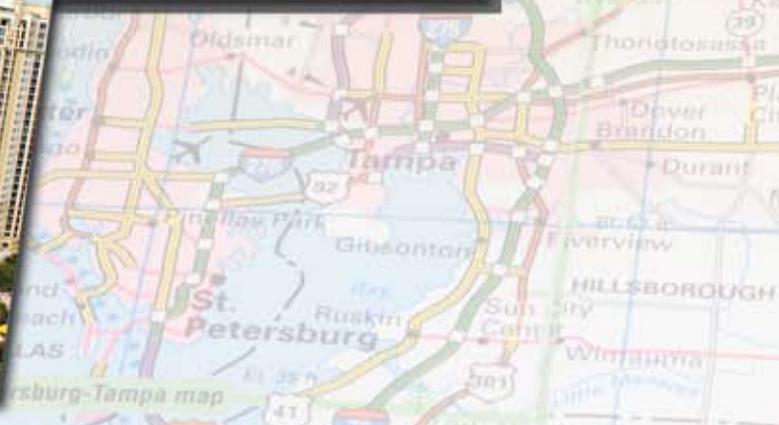


City of St. Petersburg, Florida

# Comprehensive Annual Financial Report

Fiscal Year 2012

October 1, 2011 • September 30, 2012







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COMPREHENSIVE  
ANNUAL FINANCIAL REPORT

of the

CITY OF ST. PETERSBURG, FLORIDA

for the  
Fiscal Year Ended  
September 30, 2012

Prepared by Department of Finance



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# I. INTRODUCTORY SECTION

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- Organizational Chart

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

**MAYOR**

**David W. "Bill" Foster**

**COUNCIL MEMBERS**

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

Charlie Gerdes  
James R. Kennedy, Jr.  
William H. Dudley  
Leslie Curran, Chair  
Steve Kornell  
Karl Nurse  
Wengay M. Newton, Sr., Vice-chair  
Jeff Danner

**OFFICIAL APPOINTED BY CITY COUNCIL**

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

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

**CITY ADMINISTRATOR**  
**Tish Elston**

**FINANCE DEPARTMENT STAFF  
APPOINTED BY MAYOR**

**DIRECTOR OF FINANCE**  
**Anne A. Fritz**

**CONTROLLER**  
**Thomas J. Hoffman**

# List of Principal Officials

## Elected Officials

Mayor	David W. "Bill" Foster
Council member, District 1	Charlie Gerdes
Council member, District 2	James R. Kennedy, Jr.
Council member, District 3	William H. Dudley
Council member, District 4	Leslie Curran, Chair
Council member, District 5	Steve Kornell
Council member, District 6	Karl Nurse
Council member, District 7	Wengay M. Newton, Sr., Vice Chair
Council member, District 8	Jeff Danner

## Officials Appointed or Approved by City Council

City Attorney	John C. Wolfe, Esq.
City Administrator	Tish Elston

## Selected Officials Appointed by Mayor

Senior Administrator, City Development	Rick Mussett
Administrator, Public Works	Michael J. Connors
Administrator, Leisure & Community Services	Clarence Scott III
Chief of Police	Charles "Chuck" Harmon
Fire Chief	James Large
Chief Information Officer	Muslim A. Gadiwalla
Finance Director	Anne A. Fritz
Budget & Management Director	Denise Labrie (Acting)
City Auditor	Bradley H. Scott, CPA, CIA, CFE
Controller	Thomas J. Hoffman



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**City of St. Petersburg**

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St. Petersburg, Florida 33731-2842  
Channel 35 WSPF-TV  
Telephone: 727 893-7171

February 28, 2013

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, 2012. 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 Mayer Hoffman McCann P.C. The goal of the independent audit was to provide an opinion on the financial statements of the City for the fiscal year ended September 30, 2012. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon their audit, that the City's financial statements for the fiscal year ended September 30, 2012, are fairly presented, in all material respects, in conformity with GAAP. The report of the independent auditor is presented as the first component of the financial section of this report.

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

on internal controls and compliance requirements that could have a direct and material effect on each major federal and state award.

## **Profile of the Government**

The City of St. Petersburg, initially incorporated as a town in 1893 with a second incorporation as a city in 1903, is the largest city in Pinellas County and is the 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 244,769. The City of St. Petersburg is empowered to levy a property tax on real property located within its boundaries. It is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

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

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

The City also maintains budgetary controls. The objective of these controls is to ensure compliance with legal provisions contained in the annual appropriated budget approved by the City Council. Operating budgets are appropriated at the fund level, with the exception of the General Fund which is appropriated at the administration level, and total expenditures may not exceed appropriated amounts. Capital improvement budgets, as set forth in the Capital Improvement Program of the City, are appropriated at the project level and total expenditures may not exceed appropriated amounts. City Council may increase or decrease appropriations through Council resolutions or ordinances during the fiscal year or within 60 days following the close of 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 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 57 and 58-60 as part of the basic financial statements for the governmental funds. For non-major special revenue and debt service funds, with appropriated annual budgets, this comparison is presented in the governmental fund subsection of this report, which starts on page 161.

For more information on fiscal year 2012 activities, as shown on the basic financial statements, please refer to Management's Discussion and Analysis beginning on page 28.

## Local Economy

St. Petersburg is part of a seven-county media market, largest in Florida and 13<sup>th</sup> in the nation. Our region leads the state in buying power, retail sales, food sales, bank deposits, and has the largest consumer market. St. Petersburg is the anchor of Florida's High Tech Corridor which has been ranked as one of the top six high tech employment centers in the nation, representing 60% of the state's high-tech industries.

The City of St. Petersburg's commercial economy remains diverse and resilient. Though the City is inviting to all businesses, five major industry clusters have flourished in St. Petersburg – manufacturing, information technology, financial services, marine science, and medical and healthcare service. St. Petersburg maintains the largest financial services cluster in the state of Florida and the largest marine science cluster in the Southeast.

The City of St Petersburg has benefited from continued commercial growth in a difficult economic environment. However, the economy has affected single family and multi-family taxable values in 2012 resulting in a 6.6% decline in 2012, as compared to a 13.2% decline the prior year, as 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 decreased by 32.6% over the past 5 years, resulting from the national decline in property values that have dramatically affected municipalities, especially in Florida.

Fiscal Year	St. Petersburg Taxable Value				Total Taxable Value
	Single Family & Mobile Homes	Multi-Family & Condominiums	Commercial	Other	
2008	8,388	4,322	3,582	252	16,544
2009	7,335	4,164	3,706	253	15,458
2010	6,413	3,390	3,377	232	13,412
2011	6,176	2,819	2,749	202	11,946
2012	5,400	2,816	2,737	201	11,154

*The amounts above are in millions.*

As of the 2010 Census, Pinellas County and the City of St. Petersburg had a population of 916,542 and 244,769, respectively, compared with an estimated 912,001 and 243,137 the year before.

In September 2012, the labor force in Pinellas County and the City of St Petersburg was 452,280 and 122,302, respectively, compared to 444,817 and 123,420, respectively, the year before. Employment within Pinellas County and the City of St. Petersburg differed slightly, with employment at 414,204 and 120,655 for the current year, respectively, and 400,293 and 110,720 respectively for the prior year. The non-seasonally adjusted City unemployment for September 2012 stood at 9.1 percent compared to 10.7 percent a year earlier. (Source: Bureau of Labor Statistics [www.bls.gov](http://www.bls.gov))

### Residential Reductions in Property Values and State Mandated Property Tax Reforms

In June 2007, a Special Session of the State of Florida Legislature produced an important tax reform bill. It provided for immediate measures via state statute, requiring significant budget reductions in fiscal year 2008 and reduction of property tax revenue available to the City in

future years. For FY08 the legislation required a rollback of the millage rate to the FY07 level, and then an additional five percent reduction of the FY07 ad valorem revenue.

On January 29, 2008, the Florida electorate approved an amendment to the Florida Constitution relative to property taxation. This amendment (referred to as Amendment 1) was placed on the ballot by the Florida Legislature at a special session held in October 2007. With respect to homestead property, Amendment 1 increases the current \$25,000 homestead exemption for non-school board taxes by another \$25,000 for property values over \$75,000. Amendment 1 also allows property owners to transfer (make portable) up to \$500,000 of their Save Our Homes benefits to their next homestead when they move. Save Our Homes became effective in 1995 and limits (caps) the annual increase in assessed value for homestead property to three percent (3%) or the percentage change in the Consumer Price Index, whichever is less.

With respect to non-homestead property, Amendment 1 limits (caps) the annual increase in assessed value for non-homestead property (businesses, industrial property, rental property, second homes, etc.) to ten percent (10%), except for school district taxes. The Amendment also provides a \$25,000 exemption for tangible personal property.

Amendment 1 became effective on October 1, 2008, with the exception of the ten percent (10%) assessment cap on non-homestead property which became effective on January 1, 2009.

With the combination of the 2007 Legislative tax bill, the 2008 electorate approval of Amendment 1, and the residential real estate property value continued declines in 2012, the City sustained a reduction of 6.6% in taxable values for fiscal 2012 and an additional loss of ad valorem tax revenue of \$4.7 million. In preparation for these required tax reductions, the City in fiscal years 2008 - 2012 established specific strategies to cope with projected revenue reductions. These strategies included: invest capital dollars in ways that reduce operating costs; implement sustainable expenditure reductions; tax relief for all citizens; and control personnel costs.

### **Cost of City Services**

A comparison of city population in relationship to total city employees and cost of city services provides insight into the City's cost to provide all city services.

<u>Fiscal Year</u>	<u>City Population</u>	<u>Budgeted FTE City Positions</u>	<u>Governmental Expenditures (in millions)</u>	<u>Average Cost Per Citizen</u>	<u>Cost increase (decrease)</u>
2008	251,459	2,911	295	1,197	8%
2009	248,729	2,860	292	1,176	(1.8%)
2010	246,378	2,745	285	1,157	(1.6%)
2011	243,137	2,733	282	1,161	(1.0%)
2012	244,769	2,693	290	1,191	2.8%

## Economic Downturn Effects on City Budgets

Since budget year 2008, the City has approved the following reductions:

<u>Date</u>	Citywide Expenditure		<u>Ad Valorem</u> <u>Millage Rate</u>	<u>Average Utility Rate</u> <u>increase (decrease)</u>
	<u>Reductions</u> <u>(in millions)</u>	<u>Position Reductions</u> <u>Full Time</u> <u>Part Time</u>		
10/1/2007	\$ 12.0	75            21	5.9125	3.5%
10/1/2008	4.7	51            2	5.9125	2.9%
4/15/2009	8.1	61            26	5.9125	-
10/1/2009	13.2	54            10	5.9125	2.4%
10/1/2010	3.5	33            +11	5.9125	0.0%
10/1/2011	<u>2.8</u>	<u>42</u> <u>+6</u>	5.9125	<u>5.00%</u>
Totals from 2007 through 2011	<u>\$ 44.3</u>	<u>316</u> <u>41</u>		

The budgetary reductions were applied first to services affected by the economic downturn such as building permitting and inspections. In addition, all City departments were requested to reduce cost and continue to manage at current service levels. These significant budgetary reductions were not fully realized in citywide expenditures over the years as other non-controllable expenditures increased due to inflation or other external changes such as healthcare increased costs.

## 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, institutional money market funds, and external money managers, both fixed income and equity. The City's Investment Oversight Committee meets quarterly to review the investments of the prior quarter and make recommendations. City Council receives quarterly investment reports.

All securities are purchased on a delivery-versus-pay basis, which enables the City to take possession of securities concurrent with the release of funds. See the footnote disclosure on pages 91-97 regarding invested balances at September 30, 2012.

## **Pension Trust Funds**

The City of St Petersburg maintains three defined benefit pension plans (Police, Fire and General Employees) for its current employees. Each plan has a separate Board of Trustees as established by City ordinance. 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 and investment expenses 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.

On October 3, 2007, the City's actuaries (Buck Consultants) delivered a five year pension experience study of each of the three pension plans. Some modifications to the assumptions were adopted by the Boards and are reflected for the 2012 plan year.

## **Other Post-Retirement Employment Benefits (OPEB)**

The City's implementation of Governmental Accounting Standards Board (GASB) Statement 45 began with fiscal year 2008.

The unfunded actuarial liability at October 1, 2012, is \$177,387,000 based on the October 1, 2010 actuarial valuation and the annual OPEB costs for fiscal year 2012 were \$13,503,000. After reducing the ARC OPEB costs by employer contributions for the year, the increase in the net OPEB obligation was \$7,229,000.

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 124.

## **Risk Management**

The Human Resources Department is responsible for the administration of the City's self-insurance programs that include health (as of April 1, 2011), fleet liability, workers' compensation and general liability.

The Human Resources Department also purchases and administers insurance for the City's properties utilizing two property programs to ensure the best premiums available. The City also has policies for airport liability, public fiduciary liability, public dishonesty and flood insurance. 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 continues to purchase substantial property coverage in the face of reductions in insurance coverage throughout the state of Florida.

## Long Term Financial Planning

In September 2010, the City Council approved revisions to the fiscal policies relating to target fund balances. It was the position of the Mayor and City Council that current targeted fund balances were not sufficient in times of economic stress or natural disasters. The new policy increased targeted fund balances to more closely approximate recommendations of the Governmental Finance Officers Associations (GFOA). Fund balances at September 30, 2012, for the most part, are sufficient to match these new requirements.

These and other financial plans will continue to be discussed in order to provide the quality of city services expected and still remain fiscally solid in the near future.

## Mayor's Initiatives

Mayor Bill Foster steers his administration to the theme of the Seven S's for city success – seamlessness, service, sustainability, small business, safety, schools and sports/arts and culture.

Keeping the city **sustainable** by balancing an extremely tight city budget was a priority in 2012. Five departments completed a service-level budgeting process. During the budgeting process, emphasis was placed on the city's use of technology and energy efficiency measures to reduce operating and labor costs. In 2011, the city began to self fund its health insurance, increasing programs to emphasize employee wellness and medical cost containment. The city also continued contracts with neighboring communities to raise revenue by providing services such as street sweeping, water testing and traffic light maintenance.

The mayor continued his support of **schools** through the Top Apple Program, which rewards principals and assistant principals of schools that achieve an A rating or improve a grade with privately funded cash bonuses. The city also stands behind an effort to encourage its employee to mentor students, and has raised more than \$11 million for college scholarships given to students in need. To date, more than 1,100 students have received Doorways scholarships, and the first of these recipients are now in college.

The Mayor's focus on the city schools continued in 2012. A new program, creating a "kids' zone" concept for elementary schools located in the most populated areas of the city, appears promising. In 2012, the Children's Initiative at Fairmount Park Elementary focused on providing wrap-around services to a targeted group of students. The students involved in this initiative had higher reading and math scores as compared to a control group, and lower referrals for disciplinary problems.

Another program was the "Read for Rec" program, designed to recognize children and teens for reading 10 books from a city library. An award certificate can be redeemed for a free city "Advantage Card," which provides access to a variety of city recreation programs, classes, pools and sports facilities.

To increase **service** to the city's residents, the Mayor continued two popular outreach efforts – Mayor's Night Out, whereby one night a month City Hall staff meet and respond to citizens in one of the eight Council Districts; and Breakfast with the Mayor, where residents join him at a local resident to share what is on their minds.

In the area of **Sports/Arts & Culture**, St. Petersburg was named for the third consecutive year as the No. 1 Arts Destination for Mid-sized Cities in the United States by *AmericanStyle*

magazine. The city's cultural cache is bolstered by the world famous Dali Museum, which opened its new building in 2011 and a relatively new Chihuly Collection, as well as the Museum of Fine Arts and three other local museums. The city is also home to the Mahaffey Theater, which provides a home for touring arts performances, the Florida Orchestra and, new in 2012, a Titanic artifacts exhibition. The city also worked with local artists toward creating a new Warehouse Arts District – celebrating where art is made. A city-supported Arts Alliance also took shape in FY2012.

Sports, once again, continues to be an integral part of St. Petersburg's quality of life. The Tampa Bay Rays play from the city's Tropicana Field, and millions of television viewers worldwide tune in to see the annual Honda Grand Prix of St. Petersburg each spring. The city has worked with the St. Petersburg Sports Alliance to bring additional sports events to the city. Highlights include:

- International Baseball, working to retain St. Petersburg's heritage as a home for spring training by recruiting pro teams from foreign countries to play a March season of "International Baseball." In 2012, teams from Canada and the Netherlands played major league spring training squads and college teams.
- Professional Soccer – St. Petersburg's hometown team, the Tampa Bay Rowdies, played its second season at Al Lang Stadium, bringing home the 2012 Soccer Bowl Trophy from the North American Soccer League.
- The baseball diamond at Al Lang was transformed into a gridiron for the second annual Mayor's Cup High School Football Classic.
- Nationally televised football events now come to Tropicana Field during bowl season, with a high school all-star game, the Under Armour High School Football Game; a college all-star game with the East-West Shrine Game, and the ESPN-televised Beef O'Brady's Bowl in December.
- The inaugural Rock n' Roll Half Marathon took place in 2012, joining the St. Anthony's Triathlon and the Lady Speed Stick Women's Running Half Marathon. These endurance events bring athletes from around the state, country and world to enjoy our beautiful city.

Additional Accomplishments in 2012:

- Since 2004, St. Petersburg has been studying the condition of the current "inverted pyramid" Pier and moving forward through a deliberate community process to replace it. After a community Pier Task Force canvassed the community through a series of more than 60 public meetings, it made its recommendations to City Council which voted to build a new "iconic structure" on the city's downtown waterfront and demolish the current Pier. An international design competition was launched, and the internationally known firm of Michael Maltzan Architecture submitted the winning design, called "The Lens". The Lens is currently undergoing final design. Closure of The Pier is scheduled for May, 2013.
- On April 1, 2012 All Children's Hospital officially became part of the Johns Hopkins Health System as a fully integrated member of Johns Hopkins Medicine. This union makes All Children's the first U.S. hospital outside of the Baltimore/Washington D.C. region to join with Johns Hopkins, including its university school of medicine and Johns

Hopkins Hospital and Health System. Results of this partnership are expected to be seen in broadening the pediatric programs of Johns Hopkins and the clinical residency programs of All Children's. Now located in a new facility, plans call for the demolition of the old All Children's Hospital for green space within this burgeoning medical district.

- St. Petersburg has shed its image as a retirement city, as evidenced by its sixth recognition as "One of the Top 100 Cities for Young People," by America's Promise Alliance, the nation's largest partnership organization dedicated to youth and children.

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, 2011. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

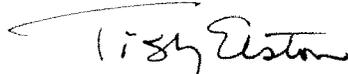
A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual financial plan for the fiscal year beginning October 1, 2011. This was the thirteenth 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.

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

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

Respectfully submitted,

  
Anne A. Fritz  
Finance Director

  
Patricia "Tish" Elston  
City Administrator

# 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, 2011

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.

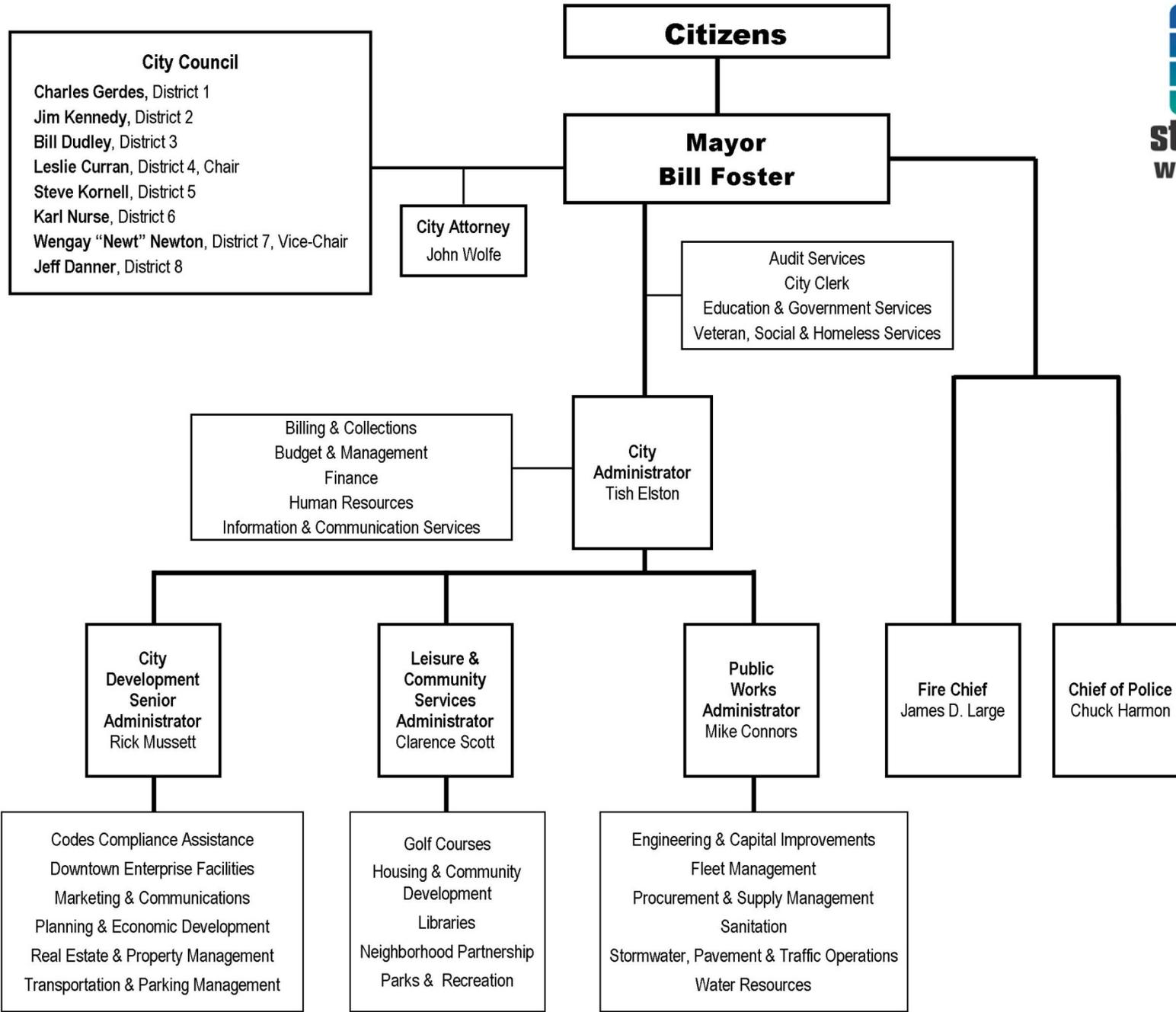


*Christopher P. Morrell*

President

*Jeffrey R. Emer*

Executive Director



## II. FINANCIAL SECTION

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



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# **REPORT OF INDEPENDENT AUDITOR'S**



**Mayer Hoffman McCann P.C.**

An Independent CPA Firm

**KRMT Tampa Bay Division**

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**Independent Auditor's Report**

To 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 aggregate 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, 2012, 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'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 aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2012, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the general fund, community redevelopment districts funds, downtown redevelopment fund and the grants funds, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 22 to the financial statements, the City adopted the provisions of Statement of Governmental Accounting Standards No. 63 and No. 65, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*, and *Items Previously Reported as Assets and Liabilities*, respectively, for the year ended September 30, 2012.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2013, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on

internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining and individual fund financial statements and schedules, and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance in the regulatory section is also presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, and is also not a required part of the basic financial statements. The combining and individual fund financial statements and schedules including the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

*Maya Hoffman Mc Conn P.C.*

February 28, 2013  
Clearwater, Florida

# **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**City of St. Petersburg, Florida**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2012*  
*Unaudited*

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

As Finance Director of the City of St. Petersburg (the City), I offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2012. The information presented here should be considered in conjunction with the letter of transmittal and the financial statements.

**FINANCIAL HIGHLIGHTS**

- The City's assets and deferred outflows exceed its liabilities at the close of this fiscal year by \$1,243.9 million (net position), which is a decrease from the prior year of \$19.9 million.
- Unrestricted net position totals \$255.8 million and may be used to meet the government's ongoing obligations to citizens and creditors.
- Governmental general revenue and transfers totaled \$200.4 million compared to \$201.5 million in 2011, or a 0.6% decrease over the prior year.
- The business-type activities revenue totaled \$178.6 million as compared to \$174.7 million, or a 2.2% increase over the prior year and expenses totaled \$192.6 million as compared to \$193.3 million in 2011, or a .3% decrease over the prior year. The result produced a decrease in business-type net assets of \$16.1 million as compared to a decrease of \$20.4 million in the prior year.
- As of the close of the fiscal year, the City of St. Petersburg's governmental activities reported combined ending net position of \$517.0 million as compared to \$520.8 million in 2011 (restated), a decrease of \$3.8 million in comparison with the prior year. Of the \$517.0 million in net assets, \$147.6 million was unrestricted.
- During the current fiscal year, there was a \$3.8 million reduction in net assets for governmental activities and a \$16.1 million reduction in net assets for business activities.
- The City is committed to providing the Citizens of St. Petersburg with the highest quality services while maintaining efficiency and cost effectiveness. Overall, governmental activities expense decreased \$14.0 million from the prior year due to cost control and certain expenses in the prior year (including maintenance, additional required reserve funding for claims relating to workers' compensation, and the one-time grant for the Salvador Dali museum), and not in the current year.

**City of St. Petersburg, Florida**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2012*  
*Unaudited*

## **OVERVIEW OF THE FINANCIAL STATEMENTS**

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

### **Government-wide Financial Statements**

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

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

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

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

The government-wide financial statements can be found on pages 48 and 49 of this report.

**City of St. Petersburg, Florida**  
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## **Fund Financial Statements**

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

### **Governmental Funds**

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

The focus of governmental funds is narrower than that of the government-wide financial statements so it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, one may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains thirty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the General Fund, the Community Redevelopment Districts, the Downtown Redevelopment District, Local Option Sales Surtax Improvement Fund, 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 141 of the report.

The City adopts an annual appropriated budget for its general fund. A budgetary comparison statement, page 57, has been provided for the general fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 50 through 60 of this report.

**City of St. Petersburg, Florida**  
*Management Discussion and Analysis*  
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### **Proprietary Funds**

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

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

The basic proprietary fund financial statements can be found on pages 62 through 69.

### **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 70 and 71.

### **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 73 of this report.

**City of St. Petersburg, Florida**  
*Management Discussion and Analysis*  
*For the Year Ended September 30, 2012*  
*Unaudited*

**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 131.

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 137 through 197.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

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

Recall that the Statement of Net Position looks at the City as a whole. The following provides a summary of the City's net assets for 2012 as compared to 2011.

Net position may serve over time as a useful indicator of a government's financial condition. The City's assets and deferred outflows exceeded its liabilities by \$1,241.2 million at the close of fiscal year 2012, a decrease of approximately \$6.6 million over fiscal year 2011.

The City's net position for the past two fiscal years is summarized, as follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2012	2011 *	2012	2011 *	2012	2011 *
Current and Other Assets	\$287,534,516	\$300,434,799	\$234,796,122	\$245,879,439	\$522,330,638	\$546,314,238
Capital Assets	<u>423,522,742</u>	<u>426,630,694</u>	<u>808,874,574</u>	<u>811,090,664</u>	<u>1,232,397,316</u>	<u>1,237,721,358</u>
Total Assets	<u>711,057,258</u>	<u>727,065,493</u>	<u>1,043,670,696</u>	<u>1,056,970,103</u>	<u>1,754,727,954</u>	<u>1,784,035,596</u>
Deferred Outflows	<u>1,390,759</u>	<u>1,648,980</u>	<u>2,067,181</u>	<u>2,264,108</u>	<u>3,457,940</u>	<u>3,913,088</u>
Other Liabilities	47,050,726	55,143,758	24,371,611	21,312,658	71,422,337	76,456,416
Long Term Liabilities	<u>148,368,210</u>	<u>152,750,595</u>	<u>294,456,175</u>	<u>294,928,357</u>	<u>442,824,385</u>	<u>447,678,952</u>
Total Liabilities	<u>195,418,936</u>	<u>207,894,353</u>	<u>318,827,786</u>	<u>316,241,015</u>	<u>514,246,722</u>	<u>524,135,368</u>
Invested in Capital Assets, Net of Related Debt	338,624,957	383,738,567	559,430,846	587,711,629	898,055,803	971,450,196
Nonexpendable	395,566	10,052,735	-	-	395,566	10,052,735
Restricted	30,415,335	23,363,587	59,285,133	74,999,653	89,700,468	98,363,240
Unrestricted	<u>147,593,223</u>	<u>103,665,231</u>	<u>108,194,112</u>	<u>50,281,914</u>	<u>255,787,335</u>	<u>153,947,145</u>
Total Net Position	<u>\$517,029,081</u>	<u>\$520,820,120</u>	<u>\$726,910,091</u>	<u>\$712,993,196</u>	<u>\$1,243,939,172</u>	<u>\$1,233,813,316</u>

\*Restated

As depicted in Table 1, the largest portion of the City's net position, 72%, 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 7% of the net position of the City represents resources that are subject to

**City of St. Petersburg, Florida**  
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approximately 7% of the net position of the City represents resources that are subject to external restriction on how they may be used. The remaining 21% of net position are unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

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

Governmental activities total net position decreased by \$6.6 million during 2012 as compared to a decrease in total net position of \$16.3 million during the prior fiscal year. The decrease as compared to the prior year is primarily due to significant reductions in revenues while having cost control through decreased expenses as further described below. The current year decrease in total net assets is attributed to revenues of \$262.1 (\$267.1 in 2011) million under expenses of \$276.3 million (\$290.2 million in 2011), and net transfers of \$7.5 million from other funds (\$6.8 million in 2011).

The decline in net position is attributable to the City experiencing significant revenue reductions including property tax revenues due to the decline in property values experienced nationwide, but specifically further felt in Florida. While the property values declined, the City's property tax rate remained the same which has resulted in the significant reduction in revenue to the City. Further, the City decreased expenses for the current year due to decreased maintenance and other operating costs, as well as certain one-time expenses that were attributable to 2011.

Business-type activities total net position decreased by \$16.1 million (\$20.4 million in 2011) during 2012. The decrease is attributed to expenses of \$192.5 million (\$193.3 million in 2011) exceeding revenues of \$184.0 million (\$179.7 million in 2011), and net transfers of \$7.5 million (\$6.8 million in 2011) to other funds. Expenses decreased in total due to the prior year's depreciation adjustment to reflect the remaining service life with the planned closure and reconstruction of the Pier, which is currently scheduled to close May 31, 2013, as well as operating efficiencies gained in the current fiscal year.

**City of St. Petersburg, Florida**  
**Management Discussion and Analysis**  
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**Unaudited**

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

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Primary Government</u>	
	<u>2012</u>	<u>2011*</u>	<u>2012</u>	<u>2011*</u>	<u>2012</u>	<u>2011*</u>
Program Revenues:						
Charges for Services	\$53,384,565	\$51,191,726	\$173,593,693	\$166,642,458	\$226,978,258	\$217,834,184
Operating Grants and Contributions	6,037,740	7,458,717	1,294,996	669,447	7,332,736	8,128,164
Capital Grants and Contributions	9,906,530	13,840,226	3,668,781	7,343,376	13,575,311	21,183,602
General Revenues:						
Property Taxes	70,322,445	75,037,770	-	-	70,322,445	75,037,770
Other Taxes	113,066,253	113,465,448	-	-	113,066,253	113,465,448
Other	<u>\$12,199,064</u>	<u>6,122,785</u>	<u>5,480,264</u>	<u>5,091,253</u>	<u>17,679,328</u>	<u>11,214,038</u>
Total Revenues	<u>264,916,597</u>	<u>267,116,672</u>	<u>184,037,734</u>	<u>179,746,534</u>	<u>448,954,331</u>	<u>446,863,206</u>
Program Expenses:						
General Government	27,484,912	30,778,834	-	-	27,484,912	30,778,834
Community and Economic Development	17,878,776	20,179,832	-	-	17,878,776	20,179,832
Public Works	33,931,921	31,371,393	-	-	33,931,921	31,371,393
Public Safety - Police	93,275,050	96,083,786	-	-	93,275,050	96,083,786
Public Safety - Fire and EMS	47,472,803	49,592,092	-	-	47,472,803	49,592,092
Recreation and Culture	52,601,786	57,183,235	-	-	52,601,786	57,183,235
Interest on Long-term Debt	3,607,747	5,033,700	-	-	3,607,747	5,033,700
Water and Waste Water Utility	-	-	104,932,909	105,663,758	104,932,909	105,663,758
Stormwater Utility	-	-	14,890,554	13,527,360	14,890,554	13,527,360
Sanitation	-	-	37,460,953	38,102,702	37,460,953	38,102,702
Tropicana Field	-	-	7,088,308	6,820,058	7,088,308	6,820,058
Airport	-	-	1,072,295	1,417,940	1,072,295	1,417,940
Port	-	-	1,114,952	1,532,136	1,114,952	1,532,136
Marina	-	-	3,539,546	3,560,494	3,539,546	3,560,494
Golf Courses	-	-	4,038,963	4,145,459	4,038,963	4,145,459
Jamestown Complex	-	-	466,272	640,723	466,272	640,723
Parking	-	-	4,461,800	4,631,050	4,461,800	4,631,050
Mahaffey	-	-	5,675,106	5,594,814	5,675,106	5,594,814
Pier	-	-	5,756,027	5,488,667	5,756,027	5,488,667
Coliseum	-	-	918,823	1,005,036	918,823	1,005,036
Sunken Gardens	-	-	<u>1,158,972</u>	<u>1,159,590</u>	<u>1,158,972</u>	<u>1,159,590</u>
Total Expenses	<u>276,252,995</u>	<u>290,222,872</u>	<u>192,575,480</u>	<u>193,289,787</u>	<u>468,828,475</u>	<u>483,512,659</u>
Change in Net Assets Before Transfers	(11,336,398)	(23,106,200)	(8,537,746)	(13,543,253)	(19,874,144)	(36,649,453)
Transfers	<u>7,545,359</u>	<u>6,839,678</u>	<u>(7,545,359)</u>	<u>(6,839,678)</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	<u>\$ (3,791,039)</u>	<u>\$ (16,266,522)</u>	<u>\$ (16,083,105)</u>	<u>\$ (20,382,931)</u>	<u>\$ (19,874,144)</u>	<u>\$ (36,649,453)</u>

\* Restated

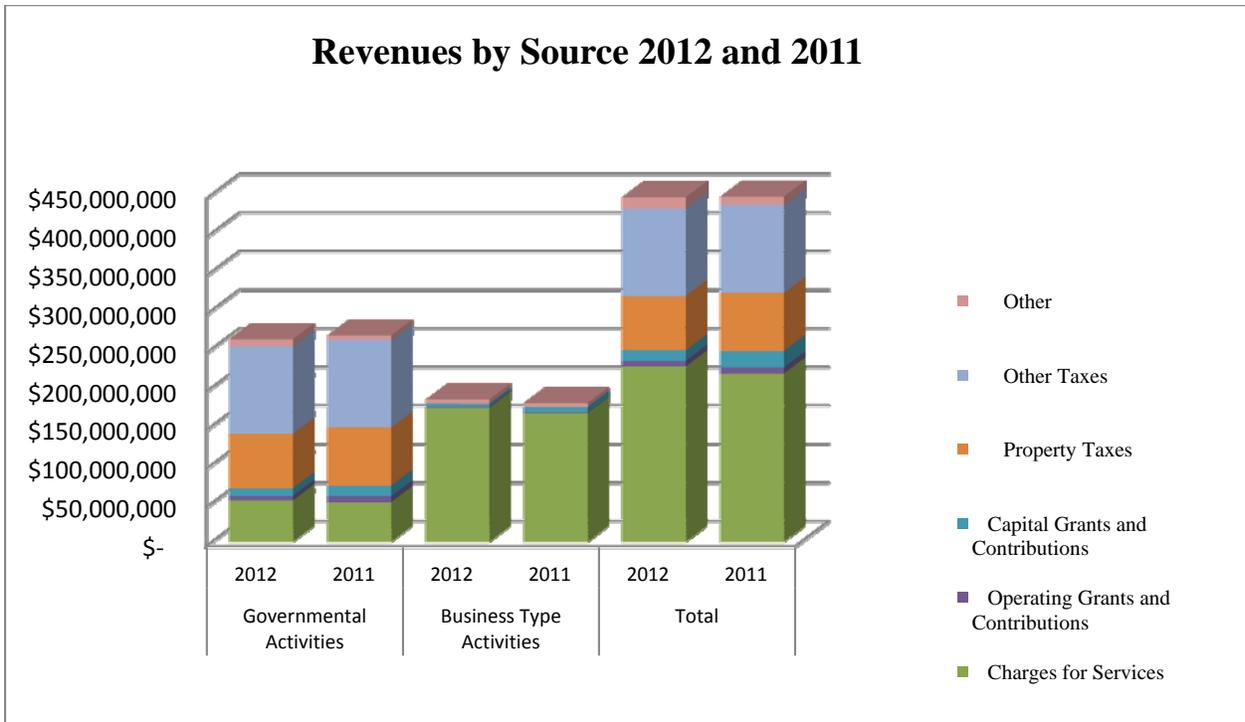
**City of St. Petersburg, Florida**  
*Management Discussion and Analysis*  
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*Unaudited*

**Governmental Activities**

Governmental activities change in net position increased \$11.8 million over the 2011 change in net assets due to a decrease in expenses of \$13.9 million (4.8%) and a \$2.2 million decrease in revenues (1.9%), partially offset by a \$0.7 million increase in transfers-in.

The decreases in revenue are primarily due to the decrease in property and other tax revenues of \$4.7 million (6.3%). Operating grants and contributions also declined by \$1.4 million (19.1%), and capital grants and contributions declined by \$3.9 million from the prior year due to significant reductions in the amounts of capital grant revenues available.

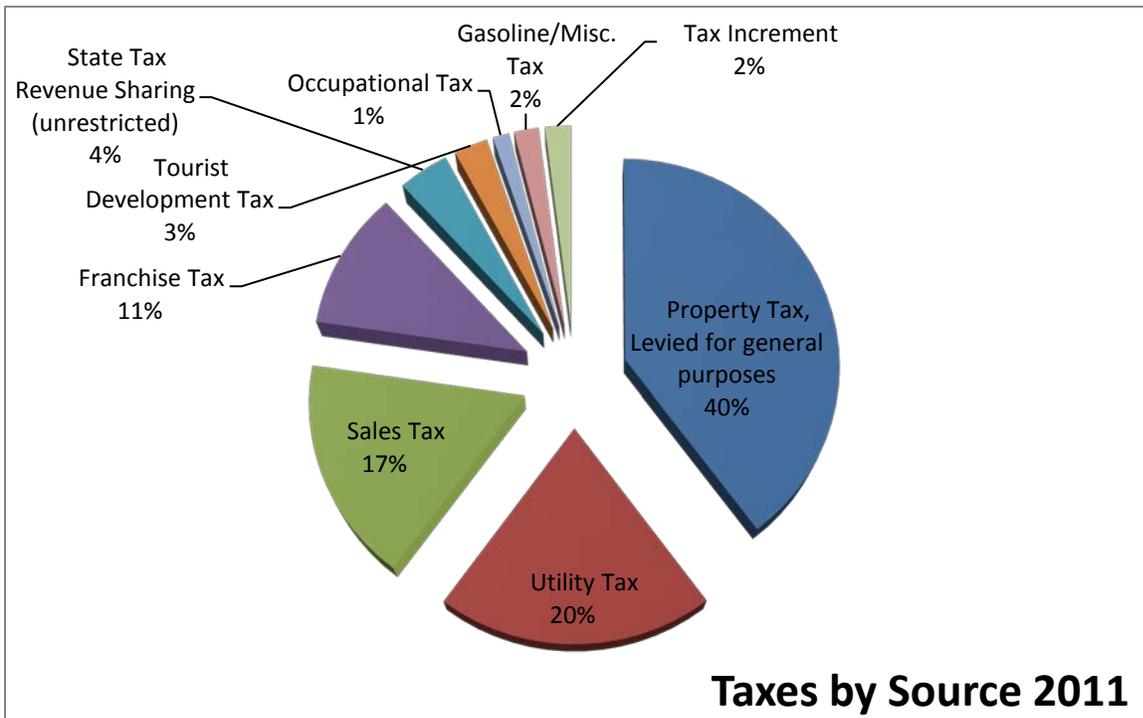
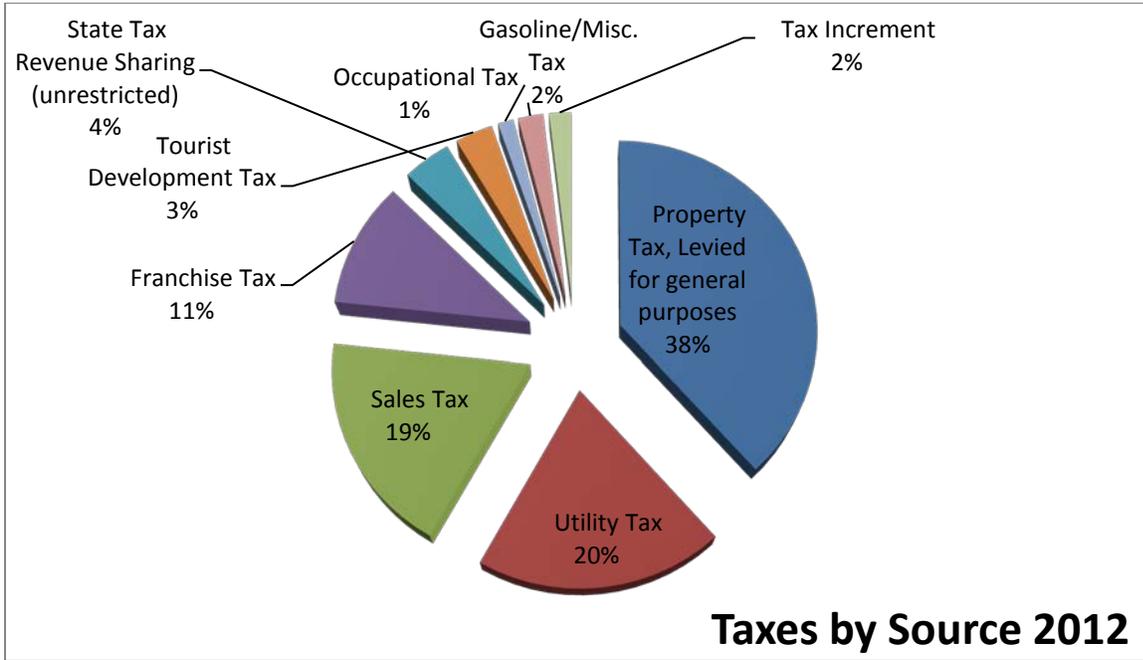
A graphical comparison of total revenues by source is as follows:



The decline in tax revenue is of significance to the City for 2012. Major budgetary adjustments were required for the current year during the budget preparation process in order to reflect the declining tax revenues, including utilizing fund balances. Property tax revenue declined \$4.7 million during 2012 (6.3%), and has declined to only 38% of total tax revenues.

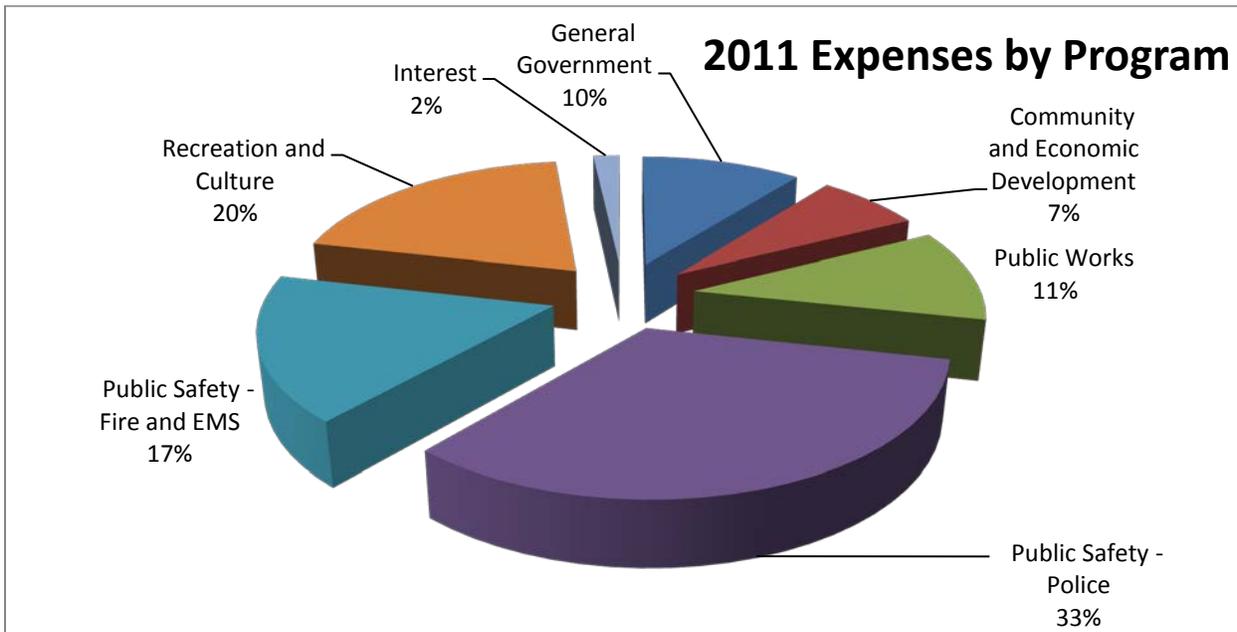
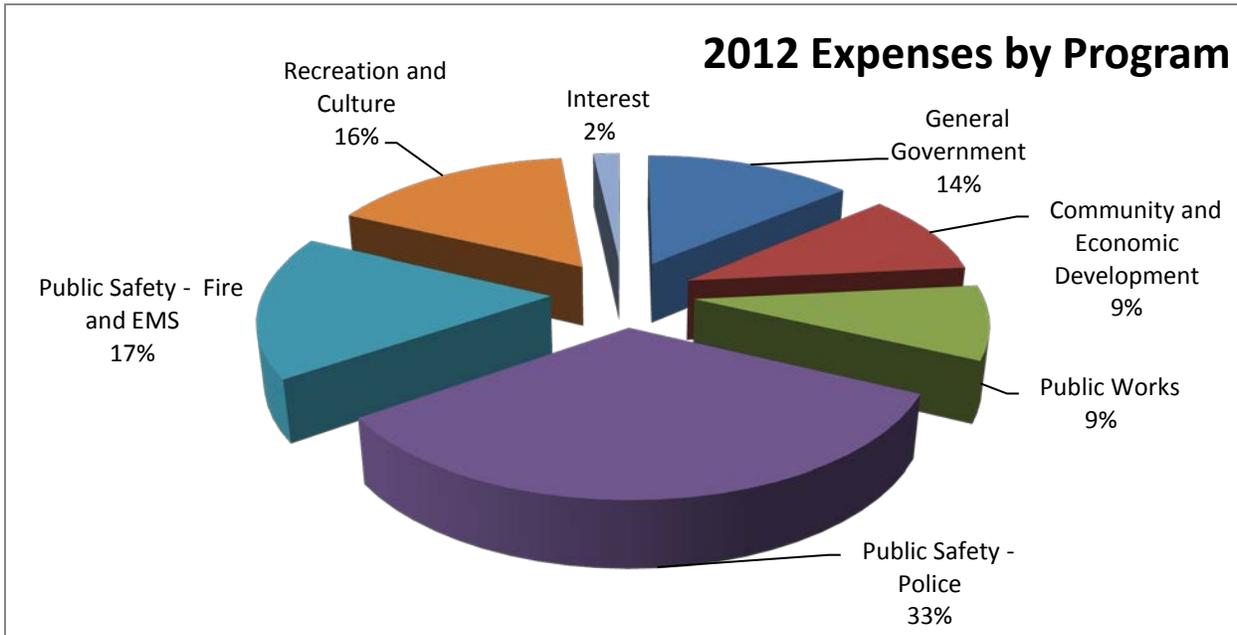
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A graphical breakdown of taxes by tax source for 2012 and 2011 is as follows:



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A breakdown of expenses by program for governmental activities for 2012 and 2011 is as follows:



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Program expenses decreased \$13.9 million during 2012 over 2011. The largest decrease was in recreation and culture where expenses were reduced by \$4.6 million due to reduce operating expenses and maintenance expenses. General government decreased expenses by \$3.3 million (11%) due to the prior year containing one-time additional expense for increasing the amount of workers' compensation reserve funding. Community and economic development program expenses decreased by \$2.3 million from the prior year as the prior year expense contained the one-time grant to the Dali museum. Public safety expenses decreased from the prior year including \$2.8 million for Police and \$2.1 million for Fire and EMS as operational efficiencies were implemented and overall costs controlled. Interest on long term debt also decreased by \$1.4 million as additional debt was repaid and the City was able to refund certain debt and capture reduced interest amounts.

***Business-Type Activities***

Business-type activities change in net position increased by \$4.3 million from the prior year. The increase in the change in net position is attributable to the increase in revenues by \$4.3 million. The business-type activities experienced an increase in charges for services revenues by \$6.8 million (4.2%) primarily due to utility rate increase in the water and wastewater fund and the stormwater fund. The business-type activities capital grants and contributions decreased \$3.7 million (50%) from the prior year due to significant reductions in the amounts of capital grant revenues available and operating grants and contributions increased by \$0.6 million (93%) during the year due to increases in new water and wastewater service connections. Transfers-out increased by \$0.7 million during the fiscal year, and expenses decreased by \$0.7 million.

Water and wastewater utility expenses and sanitation expenses decreased marginally at -0.7% and -1.7%, respectively, and the Airport, Port, Marina, Golf Courses, Jamestown Complex, Parking, Coliseum and Sunken Gardens also experienced decreases in expenses. Stormwater utility expenses increased \$1.45 million (10.0%) due to more stormwater related projects and expenses during the current year, Tropicana Field expenses increased only marginally at 4.0%, and Mahaffey and the Pier also experienced increases in expenses.

**FINANCIAL ANALYSIS OF CITY FUNDS**

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

**Governmental Funds**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. During 2010 the City early implemented GASB 54, Fund

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Balance Reporting and Governmental Fund Type Definitions. The new standard replaced the previous reserved, unreserved, and designated fund balance categories with five classifications: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

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

As of the end of the current fiscal year, the City of St. Petersburg's governmental funds reported combined ending fund balances of \$186.0 million. Of that amount, \$4.5 million was nonspendable, \$72.48 million was restricted, \$37.7 million was committed, \$23.2 million was assigned, and \$7.5 million was unassigned fund balance (See Note 3).

The General Fund, the chief operating fund of the City, had a fund balance at September 30, 2012, of \$38.3 million, with \$26.3 million committed, and \$7.8 million was unassigned. (See Note 3).

As a measure of the General Fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The unassigned fund balance represents 4.0% of the total General Fund expenditures as compared to 8.7% in the prior year. This represents the City's use of general fund reserves to fund current year expenditures due to the significant decline in revenues, specifically the property tax collections. The total General Fund fund balance is maintained at 19.7% of total General Fund expenditures at year-end.

The General Fund deficiency of revenue and other sources over expenditures and other uses was \$7.8 million for the current fiscal year due to:

- Revenues of \$180.9 million compared to total expenditures of \$194.0 million resulted in a deficit of revenues over expenditures of \$13.1 million.
- Transfers-in of \$16.8 million as compared to transfers out of \$11.5 million.

General Fund resources have continued to show a decline due to the economic decline and the decreases in tax revenues. The use of fund balance for the current fiscal year

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was planned so that the essential general fund services continued to be maintained. Uncertainty remains in future years' tax projections so the administration is continuing to look for efficiencies. As part of the general fund, the City maintains an amount committed to Economic Stability which can only be utilized with certain established specific criteria set by City Council.

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

	Community Redevelopment Districts		Downtown Redevelopment District		Local Option Sales Surtax Improvement		Grants Fund	
	2012	2011 *	2012	2011 *	2012	2011 *	2012	2011 *
Revenues and Other Sources	\$ 7,576	\$ 8,367	\$ 7,336	\$ 11,290	\$ 19,741	\$ 19,248	\$ 4,015	\$ 9,469
Expenses and Other Uses	8,567	6,712	7,039	12,680	17,992	21,376	3,719	9,394
Increase (decrease) in Fund Balances	<u>\$(991)</u>	<u>\$ 1,655</u>	<u>\$297</u>	<u>\$(1,390)</u>	<u>\$ 1,749</u>	<u>\$(2,128)</u>	<u>\$ 296</u>	<u>\$ 75</u>

\*Restated

As can be seen above, there was a decrease in fund balance for the Community Redevelopment Districts as projects are underway, and the Grants Fund where revenues and other sources exceeded the expenses and other uses by a slight amount. The decreases in the Downtown Redevelopment District related to decreased revenue for projects and a decrease in expenditures due to the prior year recognizing a one-time grant to the Salvador Dali Museum. The Local Options Sales Surtax increased relating to the timing of ongoing capital projects.

Further detail regarding these major governmental funds can be found on pages 50 through 55.

### 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 62 through 69. Detail on the non-major enterprise funds can be found on pages 182 through 187.

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

	Water Resources		Stormwater		Sanitation		Tropicana Field	
	2012	2011 *	2012	2011 *	2012	2011 *	2012	2011 *
Revenues and Other Sources	\$ 107,910	\$ 101,909	\$ 13,790	\$ 15,855	\$ 40,839	\$ 40,806	\$ 2,908	\$ 2,904
Expenses and Other Uses	114,145	115,052	16,571	15,567	39,836	39,946	6,943	6,460
Incr. (decr.) in Net Assets	<u>\$(6,235)</u>	<u>\$(13,143)</u>	<u>\$(2,781)</u>	<u>\$ 288</u>	<u>\$ 1,003</u>	<u>\$ 860</u>	<u>\$(4,035)</u>	<u>\$(3,556)</u>

\*Restated

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Water Resources decrease in net assets during the current fiscal year relates to minimizing rate increases, while controlling expenses.

Stormwater had a decline in revenue and other sources while experiencing cost increases resulting in a decrease in net assets of \$2.78 million.

Sanitation results were consistent with the prior year's results. Tropicana Field experienced increased expenses resulting in a reduction of net assets of \$4.0 million.

The following graph represents the revenues from user charges (charges for services only) as compared to the total program expense for the current and prior fiscal year. Sanitation had user charges greater than expenses for 2012, while the other enterprise funds had program expenses exceeding charges for services for the current fiscal year.



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The internal service funds are, for the most part, supported through charges to other funds. The individual internal service funds are reported on pages through 189.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The original budget projected that revenues and other sources would have a deficiency over expenditures and other uses by \$2.7 million. The final approved budget reflected a projected increase in revenues of \$5.0 million due to an increase in projected grant revenue of \$3.1 million, and an net increase of \$2 million in sales tax revenues and tourist development taxes that were originally estimated incorrectly relating to the allocation between the stadium debt service fund and the general fund.

Actual results report a \$8.8 million deficiency of revenues and other sources over expenditures and other uses, an additional \$2.7 million from budget, primarily resulting from a shortfall of \$5.4 million in revenues, and a \$2.5 million reduction in expenditures.

Additional budget to actual information on the City's general fund is on page 57.

**CAPITAL ASSETS**

The City has invested \$1.2 billion in capital assets (net of depreciation). Approximately 34% of this investment is related to governmental activities and includes infrastructure, buildings, equipment, and land. Capital assets held by the City at the end of the current and previous fiscal year are summarized, in thousands, as follows:

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

	Governmental Activities		Business-Type Activities		Total	
	2012	2011	2012	2011	2012	2011
Land	\$ 129,747	\$ 125,111	\$ 30,938	\$ 29,415	\$ 160,685	\$ 154,526
Buildings & Systems	84,025	84,945	177,088	185,338	261,113	270,283
Improvements & Infrastructure	167,908	171,155	35,893	37,409	203,801	208,564
Machinery & Equipment	32,858	27,602	8,827	11,139	41,685	38,741
Utility Systems	-	-	550,844	539,220	550,844	539,220
Construction in Progress	8,984	17,817	5,285	8,570	14,269	26,387
Totals	<u>\$ 423,522</u>	<u>\$ 426,630</u>	<u>\$ 808,875</u>	<u>\$ 811,091</u>	<u>\$ 1,232,397</u>	<u>\$ 1,237,721</u>

Additional information on the City's capital assets can be found in Note 8 beginning on page 100.

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**LONG-TERM OBLIGATIONS**

For fiscal year ended September 30, 2012, the City had total debt outstanding of \$371.9 million (net of unamortized premium, discount and deferral loss on refundings). Of this amount, \$41.6 million of note debt is backed by a covenant pledge to budget and appropriate from non-ad valorem revenue sources. The remaining \$330.3 million in bonded and note debt is secured solely by specified revenue sources. *(In thousands of dollars)*

	Governmental Activities		Business-Type Activities		Total	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Revenue Bonds	\$ 48,824	\$ 63,305	\$ 261,083	\$ 263,723	\$ 309,907	\$ 327,028
Revenue Notes	-	-	20,398	17,010	20,398	17,010
Covenant Notes	36,074	38,913	5,382	5,793	41,456	44,706
Capitalized Lease	-	-	116	162	116	162
Total	<u>\$ 84,898</u>	<u>\$ 102,218</u>	<u>\$ 286,979</u>	<u>\$ 286,688</u>	<u>\$ 371,877</u>	<u>\$ 388,906</u>

The City of St. Petersburg's Governmental Activities and Business-Type Activities debt decreased by \$17.0 million (4.4%) during the current fiscal year, of which \$28.2 million related to principal reductions and \$4.8 million related to issuance of an additional state revolving loan.

The City maintains a rating of Aa3 on all governmental debt from Moody's and currently has an Aa2 and AA rating on all Water Resources 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 105 through 112.

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**REQUEST FOR INFORMATION**

This financial report is designed to provide various interested parties with a general overview of the City of St. Petersburg's finances 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](http://www.stpete.org).



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# **BASIC FINANCIAL STATEMENTS**

**City of St. Petersburg, Florida**  
**Statement of Net Position**  
**September 30, 2012**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>	<u>Component Unit</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 44,024,224	\$ 28,460,884	\$ 72,485,108	\$ 55,157
Investments	192,057,485	110,861,408	302,918,893	-
Receivables - Net of Allowance for Uncollectibles	27,431,084	18,434,651	45,865,735	-
Internal Balances	6,072,830	(6,072,830)	-	-
Due from Other Governmental Agencies	12,658,731	5,129,231	17,787,962	-
Inventories	861,033	1,229,545	2,090,578	-
Property Held for Resale	1,900,825	-	1,900,825	-
Prepays and Deposits	2,528,304	114,524	2,642,828	-
Contract Receivable from Other Governmental Agency	-	17,353,576	17,353,576	-
Restricted Assets:				
Investments	-	59,285,133	59,285,133	-
Capital Assets, Not Depreciable:				
Land	129,746,872	30,938,323	160,685,195	-
Construction in progress	8,984,143	5,284,901	14,269,044	-
Capital Assets, Depreciable, Net:				
Buildings and systems	84,025,429	177,088,437	261,113,866	-
Improvements other than buildings	167,908,889	35,893,351	203,802,240	-
Machinery and equipment	32,857,409	8,826,224	41,683,633	-
Utility Systems	-	550,843,338	550,843,338	-
<b>Total assets</b>	<u>711,057,258</u>	<u>1,043,670,696</u>	<u>1,754,727,954</u>	<u>55,157</u>
<b>Deferred outflows of resources</b>				
Deferred amount on debt refunding	\$ 1,390,759	\$ 2,067,181	\$ 3,457,940	\$ -
<b>Total deferred outflows of resources</b>	<u>\$ 1,390,759</u>	<u>\$ 2,067,181</u>	<u>\$ 3,457,940</u>	<u>\$ -</u>
<b>Liabilities</b>				
Accounts Payable and Other Current Liabilities	\$ 13,701,971	\$ 7,128,768	\$ 20,830,739	\$ -
Accrued Interest Payable	1,431,150	6,568,439	7,999,589	-
Due to Other Governmental Agencies	1,353,327	723,911	2,077,238	-
Unearned Revenue	661,947	320,405	982,352	-
Deposits	8,085,617	937,723	9,023,340	-
Surcharge Liability	-	1,878,482	1,878,482	-
Liabilities Payable from Restricted Assets:				
Revenue Bonds Payable Due within One Year	8,115,000	4,675,000	12,790,000	-
Noncurrent Liabilities:				
Due within One Year	13,701,714	2,138,883	15,840,597	-
Due in more than One Year	115,960,373	286,133,083	402,093,456	-
OPEB liability	32,407,837	8,323,092	40,730,929	-
<b>Total liabilities</b>	<u>\$ 195,418,936</u>	<u>\$ 318,827,786</u>	<u>\$ 514,246,722</u>	<u>\$ -</u>
<b>Net position</b>				
Invested in Capital Assets, Net of Related Debt	\$ 338,624,957	\$ 559,430,846	\$ 898,055,803	\$ -
Restricted for:				
Expendable				
Public Works - Transportation Projects	18,497,488	-	18,497,488	-
Police Programs	1,214,732	-	1,214,732	-
Grant Funded Programs	1,156,965	-	1,156,965	-
Debt Service	9,546,150	21,749,371	31,295,521	-
Capital Projects	-	37,535,762	37,535,762	-
Nonexpendable				
Culture and Recreation	395,566	-	395,566	-
Unrestricted	147,593,223	108,194,112	255,787,335	55,157
<b>Total net position</b>	<u>\$ 517,029,081</u>	<u>\$ 726,910,091</u>	<u>\$ 1,243,939,172</u>	<u>\$ 55,157</u>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
**Statement of Activities**  
**Fiscal Year Ended September 30, 2012**

Functions/Programs Activities	Program Revenues					Net Revenues (Expenses) and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Program Revenues	Governmental Activities	Business-type Activities	Total	Component Unit
<b>Primary Government:</b>									
Governmental Activities:									
General Government	\$ 27,484,912	\$ 19,998,376	\$ 1,275,801	\$ -	\$ 21,274,177	\$ (6,210,735)	\$ -	\$ (6,210,735)	\$ -
Community and Economic Development	17,878,776	6,698,963	27,348	2,853,852	9,580,163	(8,298,613)	-	(8,298,613)	-
Police	93,275,050	5,783,656	1,247,901	-	7,031,557	(86,243,493)	-	(86,243,493)	-
Fire and EMS	47,472,803	13,063,380	510,718	-	13,574,098	(33,898,705)	-	(33,898,705)	-
Public Works	33,931,921	730,562	-	4,228,153	4,958,715	(28,973,206)	-	(28,973,206)	-
Recreation and Culture	52,601,786	7,109,628	2,975,972	2,824,525	12,910,125	(39,691,661)	-	(39,691,661)	-
Interest on Long-Term Debt	3,607,747	-	-	-	-	(3,607,747)	-	(3,607,747)	-
Total governmental activities	276,252,995	53,384,565	6,037,740	9,906,530	69,328,835	(206,924,160)	-	(206,924,160)	-
Business-type Activities:									
Water and Waste Water Utility	104,932,909	101,175,434	1,045,252	1,474,334	103,695,020	-	(1,237,889)	(1,237,889)	-
Stormwater Utility	14,890,554	11,642,112	10,708	1,871,324	13,524,144	-	(1,366,410)	(1,366,410)	-
Sanitation	37,460,953	39,835,630	210,865	-	40,046,495	-	2,585,542	2,585,542	-
Tropicana Field	7,088,308	1,436,634	-	-	1,436,634	-	(5,651,674)	(5,651,674)	-
Airport	1,072,295	989,405	-	154,906	1,144,311	-	72,016	72,016	-
Port	1,114,952	206,372	1,927	168,217	376,516	-	(738,436)	(738,436)	-
Marina	3,539,546	3,351,961	13,045	-	3,365,006	-	(174,540)	(174,540)	-
Golf Courses	4,038,963	3,663,158	1,525	-	3,664,683	-	(374,280)	(374,280)	-
Jamestown Complex	466,272	388,540	-	-	388,540	-	(77,732)	(77,732)	-
Parking	4,461,800	5,671,961	-	-	5,671,961	-	1,210,161	1,210,161	-
Mahaffey	5,675,106	2,979,981	-	-	2,979,981	-	(2,695,125)	(2,695,125)	-
Pier	5,756,027	946,158	10,393	-	956,551	-	(4,799,476)	(4,799,476)	-
Coliseum	918,823	544,769	-	-	544,769	-	(374,054)	(374,054)	-
Sunken Gardens	1,158,972	761,578	1,281	-	762,859	-	(396,113)	(396,113)	-
<b>Total Business-type Activities</b>	<b>192,575,480</b>	<b>173,593,693</b>	<b>1,294,996</b>	<b>3,668,781</b>	<b>178,557,470</b>	<b>-</b>	<b>(14,018,010)</b>	<b>(14,018,010)</b>	<b>-</b>
Total Primary Government	\$ 468,828,475	\$ 226,978,258	\$ 7,332,736	\$ 13,575,311	\$ 247,886,305	(206,924,160)	(14,018,010)	(220,942,170)	-
<b>Component Unit</b>									
St Petersburg Health Facilities Authority	175	5,000	-	-	5,000	-	-	-	4,825
Total Component Unit	\$ 175	\$ 5,000	\$ -	\$ -	\$ 5,000	-	-	-	4,825
General Revenues:									
Taxes									
Property Tax, Levied for general purposes						70,322,445	-	70,322,445	-
Utility Tax						36,341,523	-	36,341,523	-
Sales Tax						33,969,987	-	33,969,987	-
Franchise Tax						19,660,729	-	19,660,729	-
State Tax Revenue Sharing (unrestricted)						7,521,597	-	7,521,597	-
Tourist Development Tax						5,864,763	-	5,864,763	-
Occupational Tax						2,409,291	-	2,409,291	-
Gasoline Tax						3,235,960	-	3,235,960	-
Tax Increment						3,423,906	-	3,423,906	-
Miscellaneous Taxes						638,497	-	638,497	-
Earnings on investments						6,312,386	4,360,754	10,673,140	8
Gain on sale of capital assets						387,657	45,629	433,286	-
Miscellaneous income						5,499,021	1,073,881	6,572,902	-
Transfers						7,545,359	(7,545,359)	-	-
Total General Revenues and Transfers						203,133,121	(2,065,095)	201,068,026	8
Change in Net Position						(3,791,039)	(16,083,105)	(19,874,144)	4,833
<b>Net position - October 1 (Restated)</b>						520,820,120	742,993,196	1,263,813,316	50,324
<b>Net position - September 30</b>						\$ 517,029,081	\$ 726,910,091	\$ 1,243,939,172	\$ 55,157

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Balance Sheet*  
**Governmental Funds**  
*September 30, 2012*

	<b>Major Funds</b>		
	<b>General Fund</b>	<b>Community Redevelopment Districts</b>	<b>Downtown Redevelopment District</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 4,859,531	\$ 1,317,768	\$ 1,352,055
Investments	23,363,030	-	190,715
Receivables:			
Accounts	1,822,903	-	-
Taxes	6,360,940	-	-
Accrued Interest	59,145	-	81
Notes	2,729,513	-	-
Assessments	373,470	-	-
Due from Other Funds	962,436	-	-
Due from Other Governmental Agencies:			
Grants and Cost Reimbursement	2,897,790	-	-
State of Florida - Shared Revenue	2,665,000	-	-
Pinellas County - Shared Revenue	-	-	-
Pinellas County - Services	44,978	-	-
Pinellas County - Fines	66,157	-	-
Inventory	50,491	-	-
Prepaid Costs and Deposits	47	-	-
Advances to Other Funds	4,061,382	-	-
<b>Total assets</b>	<b>\$ 50,316,813</b>	<b>\$ 1,317,768</b>	<b>\$ 1,542,851</b>
<b>Liabilities, deferred inflows of resources and fund balances</b>			
<b>Liabilities</b>			
Vouchers and Accounts Payable	\$ 1,771,098	\$ -	\$ -
Accrued Salaries	4,220,851	-	-
Other Accrued Liabilities	6,352	-	-
Retainage on Contracts	-	-	-
Due to Other Governmental Agencies	247,283	-	-
Due to Other Funds	-	-	-
Deposits:			
Escrow	1,461	-	-
Other	626,440	-	-
Advances from Other Funds	-	-	-
<b>Total liabilities</b>	<b>6,873,485</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Deferred inflows from assessments	354,538	-	-
Deferred inflows from notes receivable	2,729,153	-	-
Deferred inflows from future revenues	1,952,765	-	-
Deferred inflows from advanced funding from federal and state grant agencies	57,706	-	-
<b>Total deferred inflows from resources</b>	<b>5,094,162</b>	<b>-</b>	<b>-</b>
<b>Fund balances</b>			
Non Spendable	4,111,920	-	-
Restricted	-	1,317,768	1,542,851
Committed	26,346,101	-	-
Assigned	-	-	-
Unassigned	7,891,145	-	-
<b>Total fund balances</b>	<b>38,349,166</b>	<b>1,317,768</b>	<b>1,542,851</b>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<b>\$ 50,316,813</b>	<b>\$ 1,317,768</b>	<b>\$ 1,542,851</b>

The accompanying notes are an integral part of these statements.

**Major Funds**

<b>Local Option Sales Surtax Improvement</b>	<b>Grants</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 6,396,855	\$ 1,104,935	\$ 16,592,598	\$ 31,623,742
37,685,976	-	49,613,916	110,853,637
-	95,670	1,255,691	3,174,264
-	-	-	6,360,940
270,174	-	160,835	490,235
-	5,942,948	6,710,391	15,382,852
-	-	-	373,470
-	-	-	962,436
-	458,692	2,673,187	6,029,669
-	-	-	2,665,000
2,905,000	-	936,441	3,841,441
-	-	7,601	52,579
-	-	-	66,157
-	-	-	50,491
-	-	8,564	8,611
-	-	-	4,061,382
<u>\$ 47,258,005</u>	<u>\$ 7,602,245</u>	<u>\$ 77,959,224</u>	<u>\$ 185,996,906</u>
\$ 1,473,207	\$ 332,813	\$ 1,355,057	\$ 4,932,175
-	-	247,502	4,468,353
-	-	-	6,352
379,515	-	315,190	694,705
-	-	422,728	670,011
-	60,632	346,105	406,737
-	343,369	281	345,111
-	567	314,104	941,111
-	1,154,319	8,995,565	10,149,884
<u>1,852,722</u>	<u>1,891,700</u>	<u>11,996,532</u>	<u>22,614,439</u>
-	-	-	354,538
-	5,942,948	6,710,391	15,382,492
-	92,429	181,044	2,226,238
-	-	236	57,942
<u>-</u>	<u>6,035,377</u>	<u>6,891,671</u>	<u>18,021,210</u>
-	-	374,190	4,486,110
45,405,283	-	24,173,939	72,439,841
-	-	11,345,489	37,691,590
-	-	23,197,034	23,197,034
-	(324,832)	(19,631)	7,546,682
<u>45,405,283</u>	<u>(324,832)</u>	<u>59,071,021</u>	<u>145,361,257</u>
<u>\$ 47,258,005</u>	<u>\$ 7,602,245</u>	<u>\$ 77,959,224</u>	<u>\$ 185,996,906</u>



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**City of St. Petersburg, Florida**  
*Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
September 30, 2012*

Difference in amounts reported for governmental activities in the Statement of Net Position on page 48:

Fund balances - total governmental funds	\$	145,361,257
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.		392,941,967
Property held for resale in governmental activities are not financial resources and are therefore not reported in governmental funds.		1,900,825
Certain long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.		
Notes receivable		15,239,187
Assessments		374,371
Unbilled accrued interest on assessments		325,862
Accounts Receivable		1,352,691
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Bonds payable		(49,300,000)
Unamortized bond discount, premium and refund loss		557,215
Notes payable		(36,155,000)
Contingent Liability		(1,712,037)
Compensated absences		(13,261,198)
OPEB Liability		(29,623,167)
Accrued interest payable on notes and bonds		(1,431,150)
The assets and liabilities of the Internal Service Funds (funds used to charge the costs of certain activities to individual funds) are included in governmental activities in the Statement of Net Position.		
Net Position from fund statement		78,852,625
Consolidation adjustment to enterprise funds		<u>11,605,633</u>
Net Position of Governmental Activities.	\$	<u><u>517,029,081</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, 2012*

	Major Funds		
	General Fund	Community Redevelopment Districts	Downtown Redevelopment District
<b>Revenues</b>			
Taxes	\$ 128,860,700	\$ -	\$ -
Licenses and Permits	417,798	-	-
Fines and Forfeitures	3,228,851	-	-
Charges for Services and User Fees	10,282,754	-	-
Charges for General Administration	9,306,012	-	-
Intergovernmental Revenue:			
Federal, State and Other Grants	4,796,596	-	-
State - Sales Tax	12,975,117	-	-
State - Revenue Sharing	4,912,586	-	-
State - Other	614,457	-	-
Pinellas County - Gasoline Tax	3,235,960	-	-
Pinellas County - Sales Tax	-	-	-
Pinellas County - Tourist Development	-	-	-
Pinellas County - Tax Increment	-	3,423,906	-
Total	<u>26,534,716</u>	<u>3,423,906</u>	<u>-</u>
Use of Money and Property:			
Earnings on Investments	1,135,221	274	18,574
Rentals	400,650	-	-
Total	<u>1,535,871</u>	<u>274</u>	<u>18,574</u>
Miscellaneous:			
Contributions	137,698	-	-
Assessments	66,185	-	-
Dispositions of Property	-	-	-
Other	590,290	-	-
Total	<u>794,173</u>	<u>-</u>	<u>-</u>
<b>Total revenues</b>	<u>180,960,875</u>	<u>3,424,180</u>	<u>18,574</u>
<b>Expenditures</b>			
Current Operations:			
General Government	14,584,499	-	-
Community and Economic Development	10,604,613	-	-
Public Works	10,689,847	-	-
Police	87,637,623	-	-
Fire and EMS	31,882,791	-	-
Recreation and Culture	37,628,161	-	-
Debt Service:			
Principal Payments	-	-	-
Interest Payments	-	-	-
Remarketing and Other Fees	-	-	-
Capital Outlay	1,005,624	-	-
<b>Total expenditures</b>	<u>194,033,158</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(13,072,283)</u>	<u>3,424,180</u>	<u>18,574</u>
<b>Other financing sources (uses)</b>			
Transfers in	16,814,857	4,152,564	7,317,557
Transfers out	(11,549,385)	(8,567,557)	(7,039,369)
Issuance of Refunding Debt	-	-	-
<b>Total other financing sources (uses)</b>	<u>5,265,472</u>	<u>(4,414,993)</u>	<u>278,188</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(7,806,811)</u>	<u>(990,813)</u>	<u>296,762</u>
<b>Fund balances - October 1 (Restated)</b>	<u>46,155,977</u>	<u>2,308,581</u>	<u>1,246,089</u>
<b>Fund balances - September 30</b>	<u>\$ 38,349,166</u>	<u>\$ 1,317,768</u>	<u>\$ 1,542,851</u>

The accompanying notes are an integral part of these statements.

**Major Funds**

<b>Local Option Sales Surtax Improvement</b>	<b>Grants</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 128,860,700
-	-	3,429,656	3,847,454
-	-	806,203	4,035,054
-	-	13,173,132	23,455,886
-	-	-	9,306,012
-	3,373,801	7,736,655	15,907,052
-	-	2,000,004	14,975,121
-	-	2,609,011	7,521,597
-	-	24,040	638,497
-	-	-	3,235,960
18,994,866	-	-	18,994,866
-	-	5,864,763	5,864,763
-	-	-	3,423,906
<u>18,994,866</u>	<u>3,373,801</u>	<u>18,234,473</u>	<u>70,561,762</u>
745,440	19,525	2,915,626	4,834,660
-	10,600	-	411,250
<u>745,440</u>	<u>30,125</u>	<u>2,915,626</u>	<u>5,245,910</u>
-	-	339,323	477,021
-	-	539,198	605,383
-	416,562	85,489	502,051
425	194,937	323,318	1,108,970
<u>425</u>	<u>611,499</u>	<u>1,287,328</u>	<u>2,693,425</u>
<u>19,740,731</u>	<u>4,015,425</u>	<u>39,846,418</u>	<u>248,006,203</u>
24,974	-	63,280	14,672,753
539,874	22,090	3,859,600	15,026,177
5,814,394	7,892	5,656,238	22,168,371
28,254	-	1,200,526	88,866,403
71,340	-	12,292,323	44,246,454
302,327	3,260,210	1,576,821	42,767,519
-	-	38,675,000	38,675,000
-	-	4,066,808	4,066,808
-	-	62,259	62,259
<u>11,146,671</u>	<u>54,428</u>	<u>6,773,866</u>	<u>18,980,589</u>
<u>17,927,834</u>	<u>3,344,620</u>	<u>74,226,721</u>	<u>289,532,333</u>
<u>1,812,897</u>	<u>670,805</u>	<u>(34,380,303)</u>	<u>(41,526,130)</u>
-	-	35,862,123	64,147,101
(64,450)	(374,531)	(24,912,476)	(52,507,768)
-	-	21,522,000	21,522,000
<u>(64,450)</u>	<u>(374,531)</u>	<u>32,471,647</u>	<u>33,161,333</u>
1,748,447	296,274	(1,908,656)	(8,364,797)
<u>43,656,836</u>	<u>(621,106)</u>	<u>60,979,677</u>	<u>153,726,054</u>
<u>\$ 45,405,283</u>	<u>\$ (324,832)</u>	<u>\$ 59,071,021</u>	<u>\$ 145,361,257</u>

**City of St. Petersburg, Florida**  
*Reconciliation of the Statement of Revenues, Expenditures, and  
 Changes in Fund Balances of the Governmental Activities to the  
 Statement of Activities*  
*Fiscal Year Ended September 30, 2012*

Difference in amounts reported for governmental activities in the Statement of Activities on page 49:

Net change in fund balances - total governmental funds	\$	(8,364,797)
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position.		16,246,288
Property held for resale, reported as expenditures in governmental funds, is shown as an asset in the Statement of Net Position.		589,680
Property held for resale, recorded at lower of cost or market		(2,596,611)
Depreciation expense on governmental capital assets included in the governmental activities in the Statement of Net Position.		(21,097,717)
Issuance of long-term debt is reported as other financing sources in governmental funds, but as an increase to long-term liabilities in the Statement of Net Position.		(21,522,000)
Repayment of long-term debt is reported as an expenditure in governmental funds, but as a reduction of long-term liabilities in the Statement of Net Position.		38,675,000
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.		(107,145)
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		(421,300)
Notes receivable deemed uncollectible and written off		(1,993,691)
Assessments receivable principal		(55,114)
Unbilled accrued interest on assessments		11,439
Notes receivable from economic development activity		4,865,760
Contribution amortization on contingent liability		37,218
Utility tax receivable		(126,712)
Accounts Receivable		326,096
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		(3,682,514)
Net book value of capital asset dispositions		(413,893)
Compensated absences		475,782
OPEB expense		(5,158,128)
Accrued interest expense on long-term debt		521,320
Changes in net position of governmental activities	\$	<u><u>(3,791,039)</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 Balance - Budget and Actual*  
*General Fund*  
*Fiscal Year Ended September 30, 2012*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
<b>Revenues</b>				
Taxes	\$ 131,533,397	\$ 131,533,397	\$ 128,860,700	\$ (2,672,697)
Licenses and Permits	736,060	736,060	417,798	(318,262)
Fines and Forfeitures	3,499,535	3,499,535	3,228,851	(270,684)
Charges for Services and User Fees	10,364,445	10,364,445	10,282,754	(81,691)
Charges for General Administration	9,449,460	9,449,460	9,306,012	(143,448)
Federal, State and Other Grants	2,023,807	5,137,322	4,796,596	(340,726)
State – Sales Tax	3,880,775	10,911,198	12,975,117	2,063,919
State – Revenue Sharing	7,800,401	7,800,401	4,912,586	(2,887,815)
State – Other	554,320	554,320	614,457	60,137
Pinellas County – Gasoline Tax	3,282,246	3,282,246	3,235,960	(46,286)
Pinellas County – Tourist Development	5,133,381	-	-	-
Earnings on Investments	762,624	762,624	234,668	(527,956)
Rentals	347,911	347,911	400,650	52,739
Contributions	16,450	16,450	137,698	121,248
Assessments	213,050	213,050	66,185	(146,865)
Dispositions of Property	10,000	10,000	-	(10,000)
Other	766,629	766,629	590,290	(225,192)
<b>Total revenues</b>	<u>180,374,491</u>	<u>185,385,048</u>	<u>180,060,322</u>	<u>(5,373,579)</u>
<b>Expenditures</b>				
Current Operations:				
General Government	12,235,258	14,663,100	14,651,532	11,568
Community and Economic Development	10,556,390	10,899,551	10,706,361	193,190
Public Works	11,196,878	11,251,545	10,742,456	509,089
Police	86,211,655	87,589,311	87,680,678	(91,367)
Fire and EMS	30,681,107	32,217,856	31,898,998	318,858
Recreation and Culture	37,251,603	38,994,885	37,954,148	1,040,737
Capital Outlay	702,775	1,561,248	1,005,624	555,624
<b>Total expenditures</b>	<u>188,835,666</u>	<u>197,177,496</u>	<u>194,639,797</u>	<u>2,537,699</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(8,461,175)</u>	<u>(11,792,448)</u>	<u>(14,579,475)</u>	<u>(2,835,880)</u>
<b>Other financing sources (uses)</b>				
Transfers in	16,849,096	17,421,496	17,363,009	(58,487)
Transfers out	(11,134,416)	(11,696,240)	(11,549,385)	146,855
<b>Total other financing sources (uses)</b>	<u>5,714,680</u>	<u>5,725,256</u>	<u>5,813,624</u>	<u>88,368</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(2,746,495)</u>	<u>(6,067,192)</u>	<u>(8,765,851)</u>	<u>(2,747,512)</u>
<b>Budgetary Fund Balances - October 1</b>	43,327,120	43,327,120	43,327,120	-
Reserve for Encumbrances – October 1, 2011	-	960,897	960,897	-
Change in Reserve for Prepaid Costs and Inventory	-	-	(12,286)	(12,286)
Change in Advances with other Funds	-	-	(240,796)	(240,796)
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 40,580,625</u>	<u>\$ 38,220,825</u>	35,269,084	<u>\$ (3,000,594)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			606,639	
Adjustment to Fund Balance for Advances			4,061,382	
Current Year Advances with other Funds			(548,152)	
Reserve for Prepaid Costs and Inventory			50,538	
Recognition of Prior Year's Changes in Fair Value of Investments Held			(1,990,878)	
Recognition of Current Year's Changes in Fair Value of Investments Held			900,553	
<b>Fund Balances – September 30</b>			<u>\$ 38,349,166</u>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Major Special Revenue Funds*  
*Community Redevelopment Districts*  
*Fiscal Year Ended September 30, 2012*

	<b>Original Budget</b>	<b>Final Approved Budget</b>	<b>Actual</b>	<b>Variance with Final Budget Over/Under</b>
<b>Revenues</b>				
Pinellas County – Tax Increments	\$ 3,738,367	\$ 3,734,675	\$ 3,423,906	\$ (310,769)
Earnings on Investments	7,944	7,944	1,364	(6,580)
<b>Total revenues</b>	<b>3,746,311</b>	<b>3,742,619</b>	<b>3,425,270</b>	<b>(317,349)</b>
<b>Other financing sources (uses)</b>				
Transfers in	4,481,598	4,485,290	4,152,564	(332,726)
Transfers out	(6,703,500)	(8,567,557)	(8,567,557)	-
<b>Total other financing sources (uses)</b>	<b>(2,221,902)</b>	<b>(4,082,267)</b>	<b>(4,414,993)</b>	<b>(332,726)</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>1,524,409</b>	<b>(339,648)</b>	<b>(989,723)</b>	<b>(650,075)</b>
<b>Budgetary Fund Balances - October 1</b>	<b>2,307,491</b>	<b>2,307,491</b>	<b>2,307,491</b>	<b>-</b>
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<b>\$ 3,831,900</b>	<b>\$ 1,967,843</b>	<b>1,317,768</b>	<b>\$ (650,075)</b>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			1,090	
Recognition of Current Year's Changes in Fair Value of Investments Held			(1,090)	
<b>Fund Balances – September 30</b>			<b>\$ 1,317,768</b>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Major Special Revenue Funds*  
*Downtown Redevelopment District*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ 35,045	\$ 35,045
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>35,045</u>	<u>35,045</u>
<b>Expenditures</b>				
Remarketing and Other Fees	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>-</u>	<u>35,045</u>	<u>35,045</u>
<b>Other financing sources (uses)</b>				
Transfers in	6,703,500	7,317,557	7,317,557	-
Transfers out	(8,169,124)	(8,169,124)	(7,039,369)	1,129,755
<b>Total other financing sources (uses)</b>	<u>(1,465,624)</u>	<u>(851,567)</u>	<u>278,188</u>	<u>1,129,755</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(1,465,624)</u>	<u>(851,567)</u>	<u>313,233</u>	<u>1,164,800</u>
<b>Budgetary Fund Balances - October 1</b>	1,222,474	1,222,474	1,222,474	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ (243,150)</u>	<u>\$ 370,907</u>	<u>\$ 1,535,707</u>	<u>\$ 1,164,800</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			23,615	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>(16,471)</u>	
<b>Fund Balances – September 30</b>			<u>\$ 1,542,851</u>	

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual*  
**Major Special Revenue Funds**  
**Grants**  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ 3,318,655	\$ 12,476,658	\$ 3,373,801	\$ (9,102,857)
Earnings on Investments	3,972	3,972	20,912	16,940
Rentals	-	-	10,600	10,600
Dispositions of Property	-	-	416,562	416,562
Other	296,028	296,028	194,937	(101,091)
<b>Total revenues</b>	<u>3,618,655</u>	<u>12,776,658</u>	<u>4,016,812</u>	<u>(8,759,846)</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	-	-	22,090	(22,090)
Public Works	-	-	47,711	(47,711)
Recreation and Culture	2,838,224	11,784,943	4,166,836	7,618,107
Capital Outlay	-	(10,689)	54,428	(65,117)
<b>Total expenditures</b>	<u>2,838,224</u>	<u>11,774,254</u>	<u>4,291,065</u>	<u>7,483,189</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>780,431</u>	<u>1,002,404</u>	<u>(274,253)</u>	<u>(1,276,657)</u>
<b>Other financing sources (uses)</b>				
Transfers out	(780,431)	(1,056,988)	(872,679)	184,309
<b>Total other financing sources (uses)</b>	<u>(780,431)</u>	<u>(1,056,988)</u>	<u>(872,679)</u>	<u>184,309</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(54,584)</u>	<u>(1,146,932)</u>	<u>(1,092,348)</u>
<b>Budgetary Fund Balances - October 1</b>	127,489	127,489	127,489	-
Reserve for Encumbrances – October 1, 2011	-	114,924	114,924	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	290,800	290,800
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 127,489</u>	<u>\$ 187,829</u>	(613,719)	<u>\$ (801,548)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			946,445	
Adjustment to Fund Balance for Advances			(1,154,319)	
Current Year Advances with other Funds			498,148	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			(1,387)	
<b>Fund Balances – September 30</b>			<u>\$ (324,832)</u>	

The accompanying notes are an integral part of these statements.



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**City of St. Petersburg, Florida**  
*Statement of Net Position*  
*Proprietary Funds*  
*September 30, 2012*

	<b>Business-Type Activities - Enterprise Funds</b>		
	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Assets</b>			
Current assets:			
Cash and Cash Equivalents	\$ 12,288,297	\$ 7,035,068	\$ 2,639,648
Investments	88,654,226	4,897,356	13,936,575
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts	6,254,351	960,080	2,291,111
Accrued Interest	1,418,347	5,831	43,444
Unbilled Revenues	3,350,662	-	107,839
Due from Other Governmental Agencies:			
Grants	768,639	1,242,340	21,397
Services	2,125,297	17,137	203
Contracts	771,176	-	-
Inventories	938,642	26,329	48,557
Prepaid Expenses and Deposits	-	-	-
Total current assets	116,569,637	14,184,141	19,088,774
Noncurrent assets:			
Restricted Investments	58,676,967	608,166	-
Assessments (Net of Uncollectible)	9,929	-	3,398,707
Contract Receivable from Other Governmental Agency	17,353,576	-	-
Advances to Governmental Fund	8,995,565	-	-
Capital assets:			
Land	4,332,342	4,376,053	203,692
Buildings	14,802,659	-	847,916
Improvements	3,977,785	25,506,077	596,760
Machinery and Equipment	9,636,355	282,065	27,315,963
Utility Systems	718,570,965	164,267,675	-
Accumulated Depreciation	(296,494,574)	(64,915,567)	(25,104,369)
Projects in Progress	955,002	4,204,878	-
Total capital assets	455,780,534	133,721,181	3,859,962
Total noncurrent assets	540,816,571	134,329,347	7,258,669
<b>Total assets</b>	657,386,208	148,513,488	26,347,443
<b>Deferred outflows of resources</b>			
Deferred amount on debt refunding	1,342,597	724,584	-
<b>Total deferred outflows of resources</b>	1,342,597	724,584	-

**Business-Type Activities - Enterprise Funds**

<b>Tropicana Field</b>	<b>Nonmajor Enterprise Funds</b>	<b>Total Enterprise Funds</b>	<b>Governmental Activities - Internal Service Funds</b>
\$ 2,817,819	\$ 3,680,052	\$ 28,460,884	\$ 12,400,482
-	3,373,251	110,861,408	81,203,848
130,064	441,563	10,077,169	1,196,418
-	22,723	1,490,345	520,056
-	-	3,458,501	-
-	181,207	2,213,583	3,885
-	1,835	2,144,472	-
-	-	771,176	-
-	216,017	1,229,545	810,542
-	114,524	114,524	2,519,694
<u>2,947,883</u>	<u>8,031,172</u>	<u>160,821,607</u>	<u>98,654,925</u>
-	-	59,285,133	-
-	-	3,408,636	-
-	-	17,353,576	-
-	-	8,995,565	-
9,683,352	12,342,884	30,938,323	1,929,163
153,403,937	122,872,247	291,926,759	15,887,831
4,568,978	51,883,206	86,532,806	3,308,996
8,476,542	9,158,608	54,869,533	79,936,907
-	-	882,838,640	-
(75,339,809)	(81,662,069)	(543,516,388)	(70,482,122)
-	125,021	5,284,901	-
<u>100,793,000</u>	<u>114,719,897</u>	<u>808,874,574</u>	<u>30,580,775</u>
<u>100,793,000</u>	<u>114,719,897</u>	<u>897,917,484</u>	<u>30,580,775</u>
<u>103,740,883</u>	<u>122,751,069</u>	<u>1,058,739,091</u>	<u>129,235,700</u>
-	-	2,067,181	-
-	-	2,067,181	-

**City of St. Petersburg, Florida**  
*Statement of Net Position*  
*Proprietary Funds*  
*September 30, 2012*

**Business-Type Activities - Enterprise Funds**

	<u>Water Resources</u>	<u>Stormwater</u>	<u>Sanitation</u>
<b>Liabilities</b>			
Current liabilities:			
Vouchers and Accounts Payable	\$ 3,321,914	\$ 483,645	\$ 1,103,714
Accrued Salaries	604,492	91,843	244,910
Accrued Annual Leave	72,027	415	21,885
Retainage on Contracts	480,449	159,410	-
Due to Other Funds	-	-	-
Due to Other Governmental Agencies	540,357	-	10
Claims - Current Portion	-	-	-
Notes Payable - Current Portion	1,468,529	-	-
Payable from Restricted Assets:			
Bonds and Notes Payable - Current Portion	4,517,000	158,000	-
Accrued Interest	6,064,805	450,166	-
Deposits	427,782	-	50,000
Surcharge Liability	1,878,482	-	-
Unearned Revenue	-	-	-
Total current liabilities	<u>19,375,837</u>	<u>1,343,479</u>	<u>1,420,519</u>
Long-term liabilities:			
Advance from Other Funds	-	-	-
Accrued Annual Leave less Current Portion	1,935,664	243,144	1,134,549
Notes Payable - State	18,929,960	-	-
Revenue Bonds Payable	237,074,000	20,456,000	-
Claims	-	-	-
Obligation for OPEB	3,901,409	725,056	2,520,361
Unamortized Discount (Premium)	941,815	3,383	-
Capital Leases Payable	-	-	-
Notes Payable	-	-	-
Total Long-term Liabilities	<u>262,782,848</u>	<u>21,427,583</u>	<u>3,654,910</u>
<b>Total liabilities</b>	<u>282,158,685</u>	<u>22,771,062</u>	<u>5,075,429</u>
<b>Net position</b>			
Invested in Capital Assets, Net of Related Debt	231,727,589	113,828,382	3,859,962
Restricted			
Debt Service	21,141,205	608,166	-
Capital Projects	37,535,762	-	-
Unrestricted	<u>86,165,564</u>	<u>12,030,462</u>	<u>17,412,052</u>
<b>Total net position</b>	<u>\$ 376,570,120</u>	<u>\$ 126,467,010</u>	<u>\$ 21,272,014</u>

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

Net Position of Business-Type Activities

The accompanying notes are an integral part of these statements.

**Business-Type Activities - Enterprise Funds**

<u>Tropicana Field</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ 10,580	\$ 461,934	\$ 5,381,787	\$ 3,182,527
-	130,444	1,071,689	417,859
-	5,006	99,333	47,376
-	35,433	675,292	-
-	555,699	555,699	-
2,731	180,813	723,911	683,316
-	-	-	9,302,253
-	455,000	1,923,529	-
-	-	4,675,000	-
-	53,468	6,568,439	-
-	459,941	937,723	6,799,395
-	-	1,878,482	-
-	320,405	320,405	-
<u>13,311</u>	<u>2,658,143</u>	<u>24,811,289</u>	<u>20,432,726</u>
-	2,907,063	2,907,063	-
-	487,605	3,800,962	1,359,679
-	-	18,929,960	-
-	-	257,530,000	-
-	-	-	25,806,000
-	1,176,266	8,323,092	2,784,670
-	(23,037)	922,161	-
-	116,021	116,021	-
-	4,950,000	4,950,000	-
-	9,613,918	297,479,259	29,950,349
<u>13,311</u>	<u>12,272,061</u>	<u>322,290,548</u>	<u>50,383,075</u>
100,793,000	109,221,913	559,430,846	30,580,775
-	-	21,749,371	-
-	-	37,535,762	-
<u>2,934,572</u>	<u>1,257,095</u>	<u>119,799,745</u>	<u>48,271,850</u>
<u>\$ 103,727,572</u>	<u>\$ 110,479,008</u>	<u>738,515,724</u>	<u>\$ 78,852,625</u>
		<u>(11,605,633)</u>	
		<u>\$726,910,091</u>	

**City of St. Petersburg, Florida**  
**Statement of Revenues, Expenses and Changes in Fund Position**  
**Proprietary Funds**  
**Fiscal Year Ended September 30, 2012**

**Business-Type Activities - Enterprise Funds**

	<u>Water Resources</u>	<u>Stormwater</u>	<u>Sanitation</u>
<b>Operating revenues</b>			
Sales - Water	\$ 47,360,559	\$ -	\$ -
Sales - Wastewater	53,600,406	-	-
Sales and Concessions	-	-	-
Service Charges and Fees	176,329	11,642,112	39,835,630
Fines and Forfeitures	-	-	-
Rentals and Parking	12,523	-	-
<b>Total operating revenues</b>	<u>101,149,817</u>	<u>11,642,112</u>	<u>39,835,630</u>
<b>Operating expenses</b>			
Personal Services and Benefits	22,858,214	4,745,293	13,583,668
Supplies, Services and Claims	52,803,194	3,238,559	21,494,742
Depreciation	17,093,564	5,762,513	1,735,320
<b>Total operating expenses</b>	<u>92,754,972</u>	<u>13,746,365</u>	<u>36,813,730</u>
<b>Operating income (loss)</b>	<u>8,394,845</u>	<u>(2,104,253)</u>	<u>3,021,900</u>
<b>Nonoperating revenues (expenses)</b>			
Intergovernmental Revenues	1,549,662	1,871,801	210,865
Earnings on Investments	2,751,414	236,236	407,097
Other Interest Revenue	936,865	-	-
Interest Expense	(11,696,865)	(960,499)	-
Issue Cost and Amortization of Bond Discount	266,387	84	-
Gain (Loss) on Disposition of Capital Assets	9,299	-	35,515
Miscellaneous Revenue	152,091	29,544	350,252
<b>Total nonoperating revenues (expenses)</b>	<u>(6,031,147)</u>	<u>1,177,166</u>	<u>1,003,729</u>
<b>Income (loss) before contributions and transfers</b>	<u>2,363,698</u>	<u>(927,087)</u>	<u>4,025,629</u>
<b>Transfers and contributions</b>			
Capital Assets from (to) Other Funds	-	-	-
Contributions from Citizens and Developers	995,541	10,231	-
Transfers In (Out):			
Transfers In	98,615	-	-
Transfers Out	(9,693,516)	(1,864,572)	(3,022,500)
<b>Total transfers and contributions</b>	<u>(8,599,360)</u>	<u>(1,854,341)</u>	<u>(3,022,500)</u>
<b>Change in net assets</b>	<u>(6,235,662)</u>	<u>(2,781,428)</u>	<u>1,003,129</u>
<b>Net position - October 1</b>	<u>382,805,782</u>	<u>129,248,438</u>	<u>20,268,885</u>
<b>Net position - September 30</b>	<u>\$ 376,570,120</u>	<u>\$ 126,467,010</u>	<u>\$ 21,272,014</u>

Change in Net Position (from above)

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

Change in net position of business-type activities.

The accompanying notes are an integral part of these statements.

**Business-Type Activities - Enterprise Funds**

<u>Tropicana Field</u>	<u>Nonmajor Enterprise Funds</u>	<u>Total Enterprise Funds</u>	<u>Total Internal Service Funds</u>
\$ -	\$ -	\$ 47,360,559	\$ -
-	-	53,600,406	-
-	1,342,424	1,342,424	-
-	11,248,684	62,902,755	89,726,787
-	1,573,755	1,573,755	-
1,436,634	5,340,226	6,789,383	-
<u>1,436,634</u>	<u>19,505,089</u>	<u>173,569,282</u>	<u>89,726,787</u>
820,028	8,056,555	50,063,758	18,754,002
1,902,072	11,433,831	90,872,398	70,019,232
3,744,019	8,320,657	36,656,073	5,864,997
<u>6,466,119</u>	<u>27,811,043</u>	<u>177,592,229</u>	<u>94,638,231</u>
(5,029,485)	(8,305,954)	(4,022,947)	(4,911,444)
-	351,294	3,983,622	-
780	28,362	3,423,889	1,477,726
-	-	936,865	-
-	(230,209)	(12,887,573)	-
-	(9,693)	256,778	-
(477,112)	(237)	(432,535)	258,925
-	518,626	1,050,513	1,604,817
<u>(476,332)</u>	<u>658,143</u>	<u>(3,668,441)</u>	<u>3,341,468</u>
(5,505,817)	(7,647,811)	(7,691,388)	(1,569,976)
-	3,682,970	3,682,970	(457)
-	22,162	1,027,934	-
1,471,000	2,948,000	4,517,615	108,800
-	(1,165,356)	(15,745,944)	(519,804)
<u>1,471,000</u>	<u>5,487,776</u>	<u>(6,517,425)</u>	<u>(411,461)</u>
(4,034,817)	(2,160,035)	(14,208,813)	(1,981,437)
<u>107,762,389</u>	<u>112,639,043</u>	<u>752,724,537</u>	<u>80,834,062</u>
<u>\$ 103,727,572</u>	<u>\$ 110,479,008</u>	<u>\$ 738,515,724</u>	<u>\$ 78,852,625</u>
		\$ (14,208,813)	
		(1,874,292)	
		<u>\$(16,083,105)</u>	

**City of St. Petersburg, Florida**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended September 30, 2012**

**Business-Type Activities - Enterprise Funds**

	<b>Water Resources</b>	<b>Stormwater</b>	<b>Sanitation</b>
<b>Cash flows from operating activities</b>			
Operating Income (loss)	\$ 8,394,845	\$ (2,104,253)	\$ 3,021,900
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	17,093,564	5,762,513	1,735,320
Amortization	136,760	60,167	-
Other non-operating income (loss), net	1,098,255	29,544	385,767
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	(1,338,724)	265,873	(592,266)
Prepays & Other Assets	(6,907)	(2,116)	(48,557)
Accounts Payable & Accrued Liabilities	2,430,991	(22,787)	248,762
Deposits	63,922	-	-
Accrued Salary, Compensated absences and OPEB	789,638	122,020	488,039
<b>Cash provided by (used for) operating activities</b>	<u>28,662,344</u>	<u>4,110,961</u>	<u>5,238,965</u>
<b>Cash flows from noncapital financing activities</b>			
Intergovernmental Revenue	742,933	1,994,310	189,254
(Payment) Receipt on Interfund Loan	-	-	-
Transfers-in	98,615	-	-
Transfers-out	(9,693,516)	(1,864,572)	(3,022,500)
<b>Cash provided by (used for) noncapital financing activities</b>	<u>(8,851,968)</u>	<u>129,738</u>	<u>(2,833,246)</u>
<b>Cash flows from capital &amp; related financing activities</b>			
Proceeds from issuance of debt	4,812,423	-	-
Proceeds from special assessment	997,786	10,231	(478,365)
Acquisition & Construction of Capital Assets, net of proceeds	(25,377,031)	(2,853,273)	(394,354)
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	771,176	-	-
Bond fees and costs	(1,140)	(200)	-
Interest paid on Revenue Bonds, Note Maturities & Capital Lease	(11,529,991)	(963,499)	-
Principal received on Notes Receivable	(5,463,723)	(150,000)	-
Prepayments made on Revenue Bonds	9,503,234	603,166	56,098
<b>Cash provided by (used for) capital &amp; related financing activities</b>	<u>(26,287,266)</u>	<u>(3,353,575)</u>	<u>(816,621)</u>
<b>Cash flows from investment activities</b>			
Purchase, Sale and Maturities of Investments, net	4,669,479	548,484	(1,499,545)
Interest received on investments	1,726,971	202,202	220,912
<b>Cash provided by (used for) investing activities</b>	<u>6,396,450</u>	<u>750,686</u>	<u>(1,278,633)</u>
<b>Net increase (decrease) in cash</b>	(80,440)	1,637,810	310,465
<b>Cash at beginning of year</b>	<u>12,368,737</u>	<u>5,397,258</u>	<u>2,329,183</u>
<b>Cash at year end</b>	<u>\$ 12,288,297</u>	<u>\$ 7,035,068</u>	<u>\$ 2,639,648</u>
<b>Non-cash Investing, Capital, and Financing Activities</b>			
Contributions of Capital Assets (to)/from Other Funds	-	-	-
Interest Receivable	-	-	-
Change in Fair Value of Investments	(729,589)	(40,862)	(158,488)
Capitalized interest	964,238	-	-
<b>Total</b>	<u>\$ 234,649</u>	<u>\$ (40,862)</u>	<u>\$ (158,488)</u>
<b>Cash flows from operating activities</b>			
Cash received from customers and users	\$ 102,988,512	\$ 11,997,696	\$ 39,629,131
Cash payments for interfund services provided	(17,178,920)	(5,354,343)	(13,259,455)
Cash payments to vendors for goods & services	(36,173,249)	1,386,509	(10,670,395)
Cash payments to employees for services	(20,973,999)	(3,918,901)	(10,460,316)
<b>Cash provided by (used for) operating activities</b>	<u>\$ 28,662,344</u>	<u>\$ 4,110,961</u>	<u>\$ 5,238,965</u>

The accompanying notes are an integral part of these statements.

**Business-Type Activities - Enterprise Funds**

<u>Tropicana Field</u>	<u>Non-Major Enterprise Funds</u>	<u>Totals</u>	<u>Governmental Activities - Internal Service Funds</u>
\$ (5,029,485)	\$ (8,305,954)	\$ (4,022,947)	\$ (4,911,444)
3,744,019	8,320,657	36,656,073	5,864,997
-	(51,598)	145,329	-
(477,112)	518,389	1,554,843	1,863,742
-	-	-	-
37,961	221,731	(1,405,425)	575,375
-	21,684	(35,896)	372,617
10,579	(305,326)	2,362,219	262,906
-	(94,571)	(30,649)	419,913
-	162,978	1,562,675	2,569,372
<u>(1,714,038)</u>	<u>487,990</u>	<u>36,786,222</u>	<u>7,017,478</u>
-	1,019,329	3,945,826	234,414
-	(1,002,507)	(1,002,507)	-
1,471,000	2,948,000	4,517,615	108,800
-	(1,165,356)	(15,745,944)	(519,804)
<u>1,471,000</u>	<u>1,799,466</u>	<u>(8,285,010)</u>	<u>(176,590)</u>
-	-	4,812,423	-
477,113	22,162	1,028,927	-
-	(1,645,230)	(30,269,888)	(11,704,608)
-	-	771,176	-
-	-	(1,340)	-
-	(234,559)	(12,728,049)	-
-	-	(5,613,723)	-
-	-	10,162,498	-
<u>477,113</u>	<u>(1,857,627)</u>	<u>(31,837,976)</u>	<u>(11,704,608)</u>
-	(340,605)	3,377,813	3,040,540
<u>780</u>	<u>40,942</u>	<u>2,191,807</u>	<u>992,127</u>
<u>780</u>	<u>(299,663)</u>	<u>5,569,620</u>	<u>4,032,667</u>
234,855	(304,834)	1,797,856	(831,053)
<u>2,582,964</u>	<u>3,984,886</u>	<u>26,663,028</u>	<u>13,231,535</u>
<u>\$ 2,817,819</u>	<u>\$ 3,680,052</u>	<u>\$ 28,460,884</u>	<u>\$ 12,400,482</u>
-	(3,682,970)	(3,682,970)	457
-	-	-	-
-	15,622	(913,317)	(224,478)
-	-	964,238	-
<u>\$ -</u>	<u>\$ (3,667,348)</u>	<u>\$ (3,632,049)</u>	<u>\$ (224,021)</u>
\$ 997,483	\$ 20,249,085	\$ 175,861,907	\$ 92,585,817
(2,401,205)	(5,215,144)	(43,409,067)	(6,648,724)
(217,589)	(7,899,195)	(53,573,919)	(64,811,095)
(92,727)	(6,646,756)	(42,092,699)	(14,108,520)
<u>\$ (1,714,038)</u>	<u>\$ 487,990</u>	<u>\$ 36,786,222</u>	<u>\$ 7,017,478</u>

**City of St. Petersburg, Florida**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*September 30, 2012*

	<u>Pension Trust Funds</u>	<u>Agency Funds</u>
<b>Assets</b>		
Cash and Cash Equivalents	\$ 21,704	\$ 65,222
Trustee Accounts	32,000,330	-
Total Cash and Cash Equivalents	<u>32,022,034</u>	<u>65,222</u>
Receivables		
Interest and Dividends	2,625,629	-
Accounts	18,332	6,509
Unsettled Investment Sales	308,370	-
Total Receivables	<u>2,952,331</u>	<u>6,509</u>
Investments, at Fair Value		
Government Securities	78,068,969	-
Corporate Bonds	139,711,289	-
Common and Preferred Stock	506,729,173	-
Alternative Investments	48,345,939	-
Total Investments	<u>772,855,370</u>	<u>-</u>
Unsettled Investment Purchases	(14,596)	-
<b>Total assets</b>	<u>807,815,139</u>	<u>71,731</u>
<b>Liabilities</b>		
Payables		
Accounts	98,816	545
Due to Other Entities and Individuals	-	12,578
Due to Other Governmental Agencies	-	58,304
Uncashed Checks	1,192	304
<b>Total liabilities</b>	<u>100,008</u>	<u>71,731</u>
<b>Net position</b>		
Due to Other Governmental Agencies	<u>807,715,131</u>	<u>-</u>
<b>Total net position</b>	<u>\$ 807,715,131</u>	<u>\$ -</u>

The accompanying notes are an integral part of these statements.

**City of St. Petersburg, Florida**  
*Statement of Changes in Fiduciary Net Position*  
*Fiduciary Funds*  
*September 30, 2012*

	<b>Pension Funds</b>
<b>Additions</b>	
Contributions	
Employer (Charges to Other Funds)	\$ 32,938,404
Employees	4,528,650
State Premium Tax	1,631,958
State Insurance Fund	1,871,287
Total Contributions	40,970,299
Investment Income	
Net Increase in Fair Value of Investments	89,795,688
Interest on Investments	24,845,644
Dividends on Stock	8,736,482
Total Investment Income	123,377,814
Less Investment Expense	3,063,529
Net Investment Income	120,314,285
<b>Total additions</b>	<b>161,284,584</b>
<b>Deductions</b>	
Benefits	44,672,035
Deferred Retirement Option Contributions	8,604,626
Refunds of Contributions	489,888
Administrative Expenses	406,203
<b>Total deductions</b>	<b>54,172,752</b>
<b>Change in Net Position</b>	<b>107,111,832</b>
<b>Net Position - October 1 (Restated)</b>	<b>700,603,299</b>
<b>Net Position - September 30</b>	<b>\$ 807,715,131</b>

The accompanying notes are an integral part of these statements.



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# **NOTES TO THE FINANCIAL STATEMENTS**

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
*September 30, 2012*

**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 in the districts to fund capital improvements within each district or to fund the debt service requirements of debt related to the downtown redevelopment improvement district. The operations of the SPCRA are reported in the Community Redevelopment Districts and Downtown Redevelopment District as Major Governmental Funds. Separate Financial Statements for the SPCRA are not available.

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

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

Related Organization - St. Petersburg Housing Authority (SPHA):

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

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
*September 30, 2012*

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

Jointly Governed Organization - Tampa Bay Water Authority (TBWA): The TBWA was organized in 1998, by an inter-local agreement pursuant to Chapter 98-402 of the Florida Statutes between the counties of Hillsborough, Pasco and Pinellas and the cities of St. Petersburg, New Port Richey, and Tampa, Florida (the members). The purpose of the Authority is to develop regional water supplies and to supply water to its members at a wholesale price. The TBWA is the reorganized West Coast Regional Water Supply Authority with a governing board of nine voting members, two from each of the county governments and one from each of the city governments. The City of St. Petersburg for the fiscal year ended September 30, 2012, had a related party transaction with the TBWA as follows: The City paid \$27,477,530 for water purchases, and received \$936,865 in interest and \$736,909 of principal on the TBWA contract receivable. The remaining principal in the TBWA contract receivable is \$18,124,752.

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

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

The fund financial statements follow and report additional and detailed information about the City of St. Petersburg's operations for major funds individually and non major funds in the aggregate for governmental, proprietary and fiduciary funds. A reconciliation is provided that converts the results of governmental fund accounting to the government wide presentation.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
*September 30, 2012*

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

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

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

Operating revenues shown for proprietary operations generally result from producing or providing goods and services such as water, wastewater and sanitation services. Operating expenses for these operations include all costs related to providing the service or product. These costs include salaries and benefits, supplies, travel, contract services, depreciation, administrative expenses or other expenses directly related to costs of services. All other revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

All 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.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

The accounting policies and the presentation of the financial report of the City of St. Petersburg, Florida have been designed to conform to generally accepted accounting principles (GAAP) as applicable to governmental units, in accordance with the Governmental Accounting Standards Board (GASB). The City applies all applicable Financial Accounting Standards Board (FASB) pronouncements issued before November 30, 1989 in accounting and reporting for its proprietary operations and has elected to early implement GASB Pronouncement 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements for FASB Pronouncements* issued after November 30, 1989 for fiscal year 2012 (see Note 22).

The following are reported as major governmental funds:

- The General Fund is the general operating fund of the City, accounting for all financial resources of the City, except those that are required legally or by generally accepted accounting principles to be accounted for in other funds.
- Community Redevelopment Districts Fund is used to account for all tax increment revenues received from Pinellas County and the City for three current active Community Redevelopment Districts.
- Downtown Redevelopment District 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.
- The Local Option Sales Surtax Improvement Fund is used to account for various construction projects including infrastructure improvements, recreation and culture improvements, public safety, and city facilities improvements. The projects are part of a program begun in 1990 and extended to 2020 that is funded by the city's share of the Pinellas County one cent local option sales surtax.
- The Grants Fund is used to account for two main sources of revenue. First, revenues received from the U.S. Department of Housing and Urban Development under the HOME, Community Development Block Grants and Neighborhood Stabilization Program are included. Second, revenues received from Pinellas County, FL in the Community Housing Trust Program are included.

The following are reported as major enterprise funds:

- Water Resources Fund accounts for the operation of the City's potable water, wastewater and reclaimed water services to residents and businesses within St. Petersburg and surrounding communities.
- Stormwater Fund accounts for the improvements and maintenance of the City's stormwater retention and drainage system.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

- Sanitation Fund accounts for all operations of Solid Waste collection, disposal and recycling activities in compliance with federal standards and regulations in order to ensure public health.
- Tropicana Field Fund accounts for all city related operations of Tropicana Field, the home of the Major League Baseball's Tampa Bay Rays. The Tropicana Field Fund accounts for the City's share of both ticket sales for events held at Tropicana Field as well as a portion of the sale of the naming rights. The revenues are used to pay a portion of the cost of the operation of the facility as required by the management agreement with the Tampa Bay Rays.

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

The City also reports the following fund types:

- Internal Service Funds 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 such 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 Position or Fund Balance**

**1. Cash, cash equivalents and investments**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and institutional money market accounts. All investments are reported at fair value.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

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

- The Local Government Surplus Funds Trust Fund under the management of the State Board of Administration.
- Negotiable direct obligations of, or obligations of which the principal and interest are unconditionally guaranteed by, the U.S. Government.
- Interest bearing time deposits, savings and money market accounts in banks and savings and loans organized under Florida state law or doing business in and situated in the State, provided they are qualified State of Florida public depositories.
- Obligations of U.S. Governmental sponsored corporations including FAMCA, FNMA, FFCB, FHLB, FHLMC, 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 & Poor's, 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 A or better.
- Tax-exempt governmental obligations. Tax-exempt obligations of investment grade quality as established by a nationally recognized rating agency.
- Collateralized mortgage obligations issued by Federal Agencies and Instrumentalities limited to PAC 1 and TAC's in a sequential pay structure. All purchases must pass the Federal Financial Instrumentalities Examination Council (FFIEC) high risk security test.
- Corporate asset backed notes with the two highest ratings out 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.
- 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.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

- The Bank of America - Columbia Strategic Fund account.
- External money managers limited to the parks and recreation funds' investments allocated 40% to fixed income investments and 60% to equity investments.

The reported value of the Local Government Surplus Funds Trust Fund (SBA) Fund A is shown at share value as it meets the criteria to be a 2A-7 like investment at September 30, 2012. SBA Fund B is shown at fair value.

2. Receivables and Payables

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

All trade and other receivables, are shown net of an allowance for uncollectibles. Trade accounts receivable in excess of 180 days comprise the trade accounts receivable allowance for uncollectibles.

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

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 the 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 investment accounts and their use is limited by applicable bond covenants.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

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

**Donor-Restricted Endowments**

Included in the permanent funds, which are included in the non major 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 non major endowment restricted assets at September 30, 2012, total \$365,626. 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 purchased in the enterprise funds. Gifts or contributions are recorded at fair value at the time received.

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

For intangible assets, the City maintains a \$10,000 threshold for software related assets and a \$100,000 threshold for other intangible assets.

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

	<u>Range</u>	<u>in</u>	<u>Years</u>
Buildings	10	-	50
Equipment	2	-	10
Autos and Trucks	2	-	10
System and Infrastructure	20	-	50
Public Domain and Infrastructure	20	-	50
Other Improvements	5	-	20

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

6. Compensated Absences

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

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

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

7. Long-term Obligations

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

In the fund financial statements, governmental 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 financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Bond issuance costs are reported whether or not withheld from the actual debt proceeds received, are reported as debt service expenses in the period incurred. Governmental long term obligations are repaid by the City through the following funds:

<u>Long-term Obligation</u>	<u>Obligating Fund</u>
Revenue Bonds	Excise Tax, Public Improvement and Professional Sports Facility Sales Tax
Notes	JP Morgan Chase, First Florida, Bank of America and BB&T
Compensated Absences/OPEB	General, Building Permit, and Emergency Medical Services

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

8. Fund Balances

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

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

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

***Committed*** The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action of ordinances and resolutions of City Council, which are the highest level of decision making authority at the City. Those committed amounts cannot be used for any other purpose unless City Council removes or changes the specified use by taking the same type of action (ordinance or resolution) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by City Council, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

***Assigned*** Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, assigned fund balance is established by definition of the fund or by intended use (such as construction contracts) as established by City Council or a City official delegated that authority by City Charter or ordinance, or by State Statute.

***Unassigned*** fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

overspending for specific purposes for which amounts had been restricted, committed, or assigned.

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

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.

10. Stabilization Arrangements

Governmental Stabilization funds, a type of reserve fund maintained to offset economic downturns, natural disasters and other unforeseen events, are presented as committed fund balances in the appropriate fund. The level of funding will be reviewed annually by City Council; additions to or reductions from a stabilization fund will be approved by City Council as part of the budget process or the supplemental appropriation process. Establishing the proper balances in stabilization funds takes into account the risk exposure related to self-insurance and property insurance deductibles in the event of major storm damage to City assets. Transfers from stabilization funds will not be allowed if they would cause the stabilization fund to be in a deficit position.

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

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

- In the event of an estimated budget shortfall amounting to more than 2% of the most recently adopted budget. Only the amount of the shortage above 2% may be taken from the Economic Stability Fund, while other budget balancing measures will be employed to offset budget shortfalls up to and including 2%. If the 2% threshold has been met, the appropriate amount of resources to utilize

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

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

from the Economic Stability Fund may take into account the economic climate, including the local unemployment rate, inflation rate, rate of personal income growth, assessed property values, and other factors as determined to be appropriate.

- In the event of damage to City property or loss of City assets due to disasters such as hurricane, tornado, flood, wind, acts of terrorism or other catastrophic events when such an event results in a declaration of a state of emergency other funds of the City, such as the equipment replacement funds, the self insurance fund and the Technology/Infrastructure Fund will be used first, as appropriate to the circumstances, before relying on the Economic Stability Fund.
- To provide short-term (one year or less) advances, or long-term loans exceeding one-year in length, to other funds of the City for shortfalls due to economic impacts or for other purposes, as recommended by the Mayor and approved by City Council. A plan for repayment of the funds will be established before any such advance or loan is made.

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

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

The Economic Stability Fund had a fund balance of \$21,832,337 at September 30, 2012. The Water Cost Stabilization Fund had a fund balance of \$89,486,688.

11. Minimum Fund Balance Policy

The General Operating Fund reserve target is 20% of the Fund's current year budgeted appropriations. For the purpose of determining if the target has been met, the unassigned fund balance of the general fund and the balance of the economic stability fund are added together and the combined amount is then compared with the annual appropriations budget.

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

Fiduciary funds do not have fund balance targets.

Proprietary funds, which include both enterprise funds and internal service funds, have fund balance targets as shown in the list below. In most cases the specific targets for proprietary funds are a percentage of the annual, appropriated budget for that fund. (Percentage targets can also be described in terms of a number of months of operating

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

costs. For example, a fund balance reserve target equal to 8.3% is the same as a reserve target equal to one month of operating expenditures; 16.7% equals two months expenditures and 25% equals three months.) For the purpose of setting target amounts for the proprietary funds, estimated fund balance amounts are determined based on a budgetary fund balance.

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

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

Enterprise Funds

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

**Stormwater Utility Fund** – 16.7%

**Sanitation Funds**

Sanitation Operating Fund – 16.7%

Sanitation Equipment Replacement Fund – 25% of equipment replacement cost

**Airport** – no target

**Marina** – 8.3%

**Golf Courses** – 8.3%

**Jamestown** – 8.3%

**Port** – no target

**Parking Fund** – no target

**Mahaffey Theater Fund** – no target

**Pier Fund** – no target

**Coliseum Fund** – no target

**Sunken Gardens Fund** – no target

**Tropicana Field Fund** – no target

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – (Continued)**

Internal Service Funds

**Equipment and Maintenance Funds**

Fleet Management Fund – 8.3%

Equipment Replacement Fund – 25% of equipment replacement cost

**Municipal Office Buildings Funds – 16.7%**

**Information and Communication Funds**

Information and Communication Services – 16.7%

Technology and Infrastructure Fund - \$7,000,000 +/- \$2,000,000

**Consolidated Inventory Fund – 8.3%**

**Insurance Funds**

Health Insurance Fund – 50%

Life Insurance Fund – 25%

Self Insurance Fund – 50%

Commercial Insurance Fund – 50%

Workers' Compensation Fund – 25%

**Billing and Collections Fund – 16.7%**

**NOTE 2 – BUDGET AND BUDGETARY DATA**

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

Budget Policy:

An annual operating budget is prepared by the City's budget department for the General, Special Revenue, Enterprise and Debt Service Funds. The Mayor submits to the City Council the proposed operating budget for the ensuing fiscal year. The operating budget includes proposed expenditures and the means to finance them, including a proposed ad-valorem millage rate. Public hearings are conducted to obtain taxpayer comments on the proposed budget and ad-valorem millage rate. Prior to October 1, the City Council legally enacts the operating budget and sets the ad-valorem millage rate by passage of an ordinance.

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

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

**NOTE 2 – BUDGET AND BUDGETARY DATA - (Continued)**

Budgetary Basis of Accounting:

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

**NOTE 3 - FUND BALANCES**

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

At September 30, 2012, the grants fund, a major special revenue fund, and the police grants fund, a nonmajor special revenue fund, have a deficit fund balance of \$324,832 and \$19,631, respectively. The reason for the deficit in the grants fund is an advance due to the general fund for the Jordan School Improvement Project to be paid down in future years (see Note 22). The reason for the deficit in the police grants fund is due to timing of grant revenues received and expenditures incurred in fiscal year 2012. These deficits will be eliminated as resources are obtained to pay off the amounts due to or advanced from other funds.

**City of St. Petersburg, FL**  
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	Community Redevelopment		Downtown Redevelopment	Local Option Sales Surtax	Grants	Non major	Total
	General	Districts	District	Improvement		Governmental	Governmental Funds
<b>Non Spendable</b>							
Advances To Other Funds	4,061,382	-	-	-	-	-	4,061,382
Library	-	-	-	-	-	238,217	238,217
Kopsick Palm Arboretum	-	-	-	-	-	127,409	127,409
Prepaid Deposit and Inventory	50,538	-	-	-	-	8,564	59,102
<b>Total Non Spendable</b>	<b>4,111,920</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>374,190</b>	<b>4,486,110</b>
<b>Restricted</b>							
Redevelopment Districts	-	1,317,768	1,542,851	-	-	-	2,860,619
Public Safety Capital Improvement	-	-	-	9,289,655	-	-	9,289,655
City & Neighborhood Infrastructure	-	-	-	24,007,474	-	-	24,007,474
Recreation and Culture Capital Improvement	-	-	-	9,605,771	-	-	9,605,771
City Facilities Capital Improvement	-	-	-	2,502,383	-	-	2,502,383
Fire Rescue and EMS Awards	-	-	-	-	-	29,940	29,940
Debt Service Payments	-	-	-	-	-	9,557,034	9,557,034
Public Safety	-	-	-	-	-	2,572,656	2,572,656
Housing Assistance	-	-	-	-	-	1,481,797	1,481,797
Recreation and Culture	-	-	-	-	-	9,164,966	9,164,966
Building Code Enforcement	-	-	-	-	-	1,367,546	1,367,546
<b>Total Restricted</b>	<b>-</b>	<b>1,317,768</b>	<b>1,542,851</b>	<b>45,405,283</b>	<b>-</b>	<b>24,173,939</b>	<b>72,439,841</b>
<b>Committed</b>							
General Capital Improvements	-	-	-	-	-	1,522,531	1,522,531
Transportation Improvements	-	-	-	-	-	1,696,857	1,696,857
Downtown Parking Garage Improvements	-	-	-	-	-	18,901	18,901
Arts Programs	306,705	-	-	-	-	-	306,705
Economic Stability and Budget Shortfalls	23,832,337	-	-	-	-	-	23,832,337
Preservation Projects	912,463	-	-	-	-	-	912,463
Operating reappropriations	1,153,226	-	-	-	-	-	1,153,226
Qualified Target Industry (QTI) Tax	141,370	-	-	-	-	-	141,370
Recreation and Culture	-	-	-	-	-	8,107,200	8,107,200
<b>Total Committed</b>	<b>26,346,101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,345,489</b>	<b>37,691,590</b>
<b>Assigned</b>							
General Capital Improvement	-	-	-	-	-	3,641,182	3,641,182
Housing Capital Improvement	-	-	-	-	-	662,588	662,588
Transportation Improvement	-	-	-	-	-	16,800,631	16,800,631
Downtown Parking Garage Improvement	-	-	-	-	-	45,686	45,686
Recreation and Culture	-	-	-	-	-	2,046,947	2,046,947
<b>Total Assigned</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,197,034</b>	<b>23,197,034</b>
<b>Unassigned</b>	<b>7,891,145</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(324,832)</b>	<b>(19,631)</b>	<b>7,546,682</b>
<b>Total Fund Balances</b>	<b>38,349,166</b>	<b>1,317,768</b>	<b>1,542,851</b>	<b>45,405,283</b>	<b>(324,832)</b>	<b>59,071,021</b>	<b>145,361,257</b>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 4 – PROPERTY TAXES**

**A. CALENDAR OF PROPERTY TAX EVENTS**

January 1, 2011 - Property taxes are based on assessed property value at this date as determined by the Pinellas County Property Appraiser.

June 1, 2011 – Estimate of taxable value, property assessment roll and certificates of value by County Property Appraiser provided to the City.

July 21, 2011 - Proposed tax millage rate approved by the City Council and provided to the County Property Appraiser, who mails notices to the taxpayers.

September 22, 2011 - Property tax millage rate resolution approved by the City Council.

October 1, 2011 - Beginning of fiscal year for which taxes are levied.

November 1, 2011 - Property Tax levy due and payable.

February 21, 2012 - County Property Appraiser notifies the City of taxable value on the final property tax assessment roll.

April 1, 2012 - Unpaid property taxes become delinquent and become a lien.

June 1, 2012- Tax certificates are sold by the Pinellas County Tax Collector.

**B. TAX COLLECTION**

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

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

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

**C. TAX LIMITATIONS**

Florida Statutes set the maximum millage rate at 10 mills of assessed valuation for operating purposes. For the fiscal year ended September 30, 2012, the approved operating millage was 5.9125 mills.

**City of St. Petersburg, FL**  
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**NOTE 5 – 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 for cash equivalents is distributed monthly based on a monthly average balance.

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 amounts of the City's deposits were \$37,580,244 and the bank balances were \$40,011,560. Of the bank balances, \$35,230,970 was insured by federal depository insurance. During the past year Bank of America was a participant in the FDIC's Transaction Account Guarantee Program, which means all non-interest bearing transaction accounts were fully guaranteed by the FDIC for the entire amount in the account.

As part of its contract with the St. Petersburg Baseball Commission, Inc., in lieu of a performance bond the Commission deposited \$100,000 into a public funds account at Wells Fargo. During 2012, the performance bond was agreed upon to be reduced to \$25,000 and as of September 30, 2012, this account had a balance of \$25,118.

On April 28, 2011, the City entered into a two year banking services agreement with Bank of America with three one year extensions. 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 merchant account processing service is with Bank of America. It requires the processing of all VISA, Master Card and Discover Card charges which are deposited into the City's accounts on a daily basis. The City also has an agreement with Bill 2 Pay, a division of Intuition Systems, Inc. to act as provider of all lockbox services for collections on City Utility Bills.

As required by Florida Statutes, the City adopted an investment policy ordinance on January 4, 1996, that authorizes the investment of surplus funds in investments including but not limited to investments allowed by Florida Statute 218.415(17). The ordinance stipulates the establishment of a written investment policy by city resolution. The ordinance requires that all investments shall be governed by the "prudent person rule". A series of approved resolutions since the adoption of the Investment Ordinance have outlined the City's total investments, diversification, investment objectives, delegation of authority, required investment procedures, internal controls, selection of broker/dealers, payment, custody, safekeeping, reporting requirements, and investment oversight. The policy establishes four portfolios to identify cash flow requirements within the City as well as modifying interest rate and concentration risk. The short term portfolio contains investments in approved government money market funds and other authorized investments due within one year. The debt service portfolio contains short term funds accumulated for periodic debt payments as well as any invested reserves and debt reserve investments with a modified duration not exceeding 5 years. The two remaining portfolios are considered core investment portfolios and as such contain investments with maturities that can be as long as 10 years with a modified duration not exceeding 5 years. The policy was modified in 2006 to authorize \$14 million of core investments to be invested with two outside

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

money managers for the Parks Preservation Fund, and was modified in 2010 to alter the diversification schedule to further protect the City's investments by limiting the percentages of certain investment instruments.

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 Funds A and B. 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 Fund A (Florida Prime) is the same as the value of the pool shares. The fair value of the positions in the external investment Fund B is currently less than the book value of the fund's shares, and the Fair Value Factor at September 30, 2012 is .94896811 of each 1.00 share in the fund. The Local Government Surplus Funds Trust Fund A (Florida Prime) 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. The Local Government Surplus Fund B does not meet the requirements of a 2a-7 – like fund.

The City continues to maintain accounts with Local Governmental Surplus Funds Trust Fund and the remaining assets are separated into two funds, the "A" fund, which is the more liquid fund and the "B" fund, which holds the questionable remaining assets and no direct withdrawals can occur from this fund. As assets in the "B" fund mature or are sold the cash flow would be redistributed to the "A" fund and are available for withdrawal. The balances in these funds are identified below.

The Bank of America - Columbia Strategic Fund account is a separately run investment account for the City. Money is withdrawn from the account when investments mature or are sold. All investments within this separately managed account are included below under the Bank of America – Columbia Strategic Fund and are divided into five different categories of investments. There are investment positions with a fair value of \$972,762 that are rated below investment grade or not rated. The fair market values of these investments by category are as follows: Corporate Bonds \$271,438, Asset Backed Obligations \$192,746 and the Mortgage Backed Securities \$508,578.

On September 15, 2008, Lehman Brothers Holdings, Inc., filed for bankruptcy. The City held \$15,000,000 of unsecured senior Lehman Brothers notes as collateral for securities loaned by Wachovia Bank, the City's securities lending agent. In addition, \$1,075,000 of unsecured senior Lehman Brothers notes was held in the City's strategic cash fund managed by Columbia Management, a subsidiary of Bank of America. As a result of this bankruptcy, the City elected in May 2009 to unwind all securities lending transactions and to cease all securities lending. The City has closed all securities lending loans and was required to purchase the \$15 million Lehman Brothers Holdings, Inc. notes for par in 2009, which is recorded at fair market value. The City intends to hold the Note until bankruptcy court liquidation. During FY11, the City received judgment in its favor in regard to litigation with Wachovia in the City's attempt to recover damages sustained in connection with the Lehman Brothers Bonds.

**City of St. Petersburg, FL**  
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**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The City recorded a \$13.1 million dollar unrecognized loss in fiscal year 2008, a \$695,000 unrecognized gain in 2009, a \$11,325,000 recognized loss 2011 to reflect the write-down in value due to the pending bankruptcy, and a \$1,013,227 recognized gain on the investment in 2012 as a result of the year-end market value and principal received. At year end, the government's deposits and investment balances were as follows:

	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Effective Duration</u>	<u>Percent of Portfolio</u>
<b>Cash and Cash Equivalents:</b>				
Cash		\$ 37,503,577		8.6 %
State of Florida Local Government Surplus Trust Fund A	AAA	71,113		0.0 %
Morgan Stanley – Governmental Money Market	AAA	17,459,027		4.0 %
AIM – Governmental Money Market	AAA	17,451,391		4.0 %
Total Cash and Cash Equivalents		<u>\$ 72,485,108</u>		<u>16.6 %</u>
<b>Investments:</b>				
State of Florida Local Governmental Surplus Trust Fund B	Not Rated	\$ 142,378	N/A	0.0 %
Certificates of Deposit	Not Rated	64,975,000	N/A	15.0 %
Bank of America – Columbia Strategic Fund:				
Cash	AAA	41,873	N/A	0.0 %
Corporate Bonds	Not Rated	271,438	N/A	0.1 %
Asset Backed Obligations	Not Rated	192,746	N/A	0.0 %
Mortgage Backed Securities	AAA thru Not Rated	1,857,040	N/A	0.4 %
FHLB Mortgage Backed	Rated	3,514,533	0.69	0.8 %
FHLMC Mortgage Backed	Not Rated	28,456	N/A	0.0 %
FNMA Mortgage Backed	Not Rated	5,850,440	1.03	1.4 %
GNMA Mortgage Backed	Not Rated	1,765,209	1.01	0.4 %
Corporate Issues	AA+ thru A-	86,060,191	2.77	19.8 %
Federal Agency Bond/Notes:				
US Treasury	AAA	20,796,700	1.77	4.8 %
FFCB	AA+	7,286,019	1.47	1.7 %
FHLB	AA+	13,915,973	1.14	3.2 %
FHLMC	AA+	30,849,150	1.50	7.1 %
STEP COUPON FHLB	AA+	23,153,990	0.51	5.4 %
STEP COUPON FNMA	AA+	5,263,100	1.73	1.2 %
FNMA	AA+ thru Not Rated	53,647,745	1.83	12.3 %
Tennessee Valley Authority (TVA)	AA+	2,052,380	0.46	0.5 %
Taxable Municipal Bonds	Rated	23,278,148	2.95	5.4 %
Nontaxable Municipal Bonds	AA-	1,758,199	2.95	0.4 %
Externally Managed Investments:				
Fidelity Government Portfolio	Not Rated	155,806	N/A	0.0 %
Common Stock	Not Rated	9,664,413	N/A	2.2 %
U.S. Agencies	AA+	1,279,840	3.15	0.3 %
Collateralized Mortgage Obligations	AA+	192,367	2.98	0.0 %
Corporate Bonds	AA+ thru BBB+	3,978,489	3.51	0.9 %
Total Investments		<u>\$ 361,971,623</u>		<u>83.4 %</u>
Total Deposits and Investments		<u>\$ 434,456,731</u>		<u>100.0 %</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 5 – DEPOSITS AND INVESTMENTS – (Continued)**

The investment ordinance and policy include governmental and trustee deposits controlled by the City and all agency funds investments. The investment ordinance and policy shall not be interpreted or construed to override any specific provision contained in any bond resolution of the City relating to the investment of bond proceeds.

The City assumes that its callable investments, which consist of the federal agency bonds and notes, will not be called. 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 rates change the fair value of an investment will vary. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in the market interest rate. The City's investment policy limits the maturity of an investment to a maximum of 10 years with a modified duration of 5 years. The respective modified durations were based on the securities maturity date, not the call date.

The State Board of Administration Fund B interest rate risk information is not available. An estimate of the Weighted Average Life (based on expected future cash flows) is 4.08 years at September 30, 2012. As the fund consists of defaulted or restructured securities there is considerable uncertainty regarding weighted average life.

**Credit Risk (Credit Ratings)**

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

The State Board of Administration Fund B is not rated by any nationally recognized statistical rating agency. Certain other investments held in the Bank of America - Columbia Strategic Fund are also not rated by any nationally recognized rating agency.

**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.

A maximum of 25% of the short term portfolio may be invested in either the Local Governments Surplus Funds Trust Fund or checking and savings accounts. A maximum of 100% of the total short term portfolio may be invested in U.S. treasury securities, and a maximum 50% in U.S. Agency U.S. and Instrumentality securities. A maximum of 100% of the overnight and debt service portfolios may be invested in U.S. Governmental Short-term money market funds. Bankers' Acceptances is limited to the short-term portfolio only at 20% of the total short term portfolio.

**City of St. Petersburg, FL**  
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**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

Commercial paper is limited to 20% of the portfolio for each of the short-term and core portfolios. Certificates of deposit for the short term, core, debt service, and water cost stabilization portfolios are limited to 30% of each portfolio, respectively.

The policy provides that a maximum of 30% of the core portfolios may be invested in taxable municipal bonds. A maximum of 100% of the total core portfolios may be invested in U.S. treasury securities, U.S. Agency securities, and U.S. Instrumentality securities. A maximum of 20% of the core portfolios may be invested in collateralized mortgage obligations, and corporate bonds and notes are limited to 30% of the core portfolio.

A maximum of 10% of the short-term portfolio and 5% of the core portfolio may be invested in the Columbia Strategic Fund.

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

<u>Trust Accounts:</u>	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Modified Duration</u>	<u>Percent of Portfolio</u>
Cash and Cash Equivalents:				
BOA Cash Reserve	AAA	\$ 5,405		2 %
Total Cash and Cash Equivalents		<u>5,405</u>		<u>2 %</u>
Investments:				
American Income Stock Fund	Not Rated	117,844	N/A	51 %
Columbia Equity Funds	Not Rated	30,347	N/A	13 %
Columbia Fixed Income Fund	Not Rated	64,648	N/A	28 %
Columbia Total Return Bond Fund	Not Rated	8,279	N/A	4 %
Columbia Real Estate Equity Fund	Not Rated	2,209	N/A	1 %
Columbia Tangible Assets Fund	Not Rated	3,671	N/A	2 %
Total Investment Accounts		<u>226,998</u>		<u>99 %</u>
Total Trustee Accounts		<u>\$ 232,403</u>		<u>100 %</u>

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

Cash	\$ 17,819
AIM	<u>37,338</u>
Total	<u>\$ 55,157</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 5 - DEPOSITS AND INVESTMENTS - (Continued)**

At year end, the Fiduciary Funds deposits and investment balances were as follows:

<u>Agency Funds:</u>	<u>Credit Ratings</u>	<u>Fair Value</u>	<u>Weighted Average</u>	<u>Percent of Portfolio</u>
Cash		\$ 65,222		100 %
Total Agency Funds		<u>\$ 65,222</u>		<u>100 %</u>
 <u>Pension Funds:</u>				
(General Employees, Police and Firefighters)				
<u>Cash and Cash Equivalents:</u>				
Cash		\$ 21,704		0 %
Institutional Money Markets	AAA	32,000,330	-	4 %
Total Cash and Cash Equivalents		<u>32,022,034</u>		<u>4 %</u>
 <u>Investments:</u>				
U. S. Treasuries	AA+	11,953,909	9	1 %
U. S. Agencies	AA+	66,115,060	17	8 %
Corporate Bonds	AA – A1	139,711,289	7	17 %
Common and Preferred Stock		466,758,787		58 %
Commingled Foreign Stock Mutual Funds		39,970,386		5 %
Alternative Investments		48,345,939		6 %
Total Investments		<u>772,855,370</u>		<u>96 %</u>
Total Pension Funds		<u>\$ 804,877,404</u>		<u>100 %</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 are 8.86 for U.S. Treasuries, 16.64 for U.S. Agencies and 6.83 for Corporate Bonds 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 AA+, U.S. agencies were rated AA+, corporate bonds were rated AA-A1 or above; commercial paper was rated A1-P1; the money market funds were rated AAA.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 5 - 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 single 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 managers 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 Employee Retirement System and Police Officers Pension Fund's investment policy permits investments of up to 15 percent of the total portfolio in foreign currency-denominated investments. The Firefighters Pension Fund permits investments up to 25%. The funds' current position is 5.0 percent in equity co-mingled funds.

**NOTE 6 - RECEIVABLES**

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

<u>Governmental Funds</u>	General	Community Redev. Districts	Downtown Redev. Districts	LOSSI (*)	Grants	Nonmajor Governmental	Internal Service	Total
Accounts	\$ 1,823	\$ -	\$ -	\$ -	\$ 96	\$ 1,612	\$ 1,296	\$ 4,827
Taxes	6,361	-	-	-	-	-	-	6,361
Accrued Interest	59	-	-	270	-	161	520	1,010
Notes	2,730	-	-	-	5,943	6,710	-	15,383
Assessments	438	-	-	-	-	-	-	438
Total Governmental	11,411	-	-	270	6,039	8,483	1,816	28,019
Less: Allowance for uncollectible	(65)	-	-	-	-	(356)	(100)	(521)
Net Governmental Receivable	\$ 11,346	\$ -	\$ -	\$ 270	\$ 6,039	\$ 8,127	\$ 1,716	\$ 27,498

\*Local Option Sales Surtax Improvement

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

<u>Proprietary Funds</u>	Water Resource	Stormwater	Sanitation	Tropicana Field	Nonmajor Enterprise Funds	Total
Accounts	\$ 6,683	\$ 1,278	\$ 2,337	\$ 130	\$ 2,991	\$ 13,419
Accrued Interest	1,418	6	43	-	23	1,490
Unbilled Revenues	3,351	-	108	-	-	3,459
Assessments	10	-	3,399	-	-	3,409
Total Business-Type	<u>11,462</u>	<u>1,284</u>	<u>5,887</u>	<u>130</u>	<u>3,014</u>	<u>21,777</u>
Less: Allowance for uncollectible	<u>(429)</u>	<u>(318)</u>	<u>(46)</u>	<u>-</u>	<u>(2,549)</u>	<u>(3,342)</u>
Net Business Type Receivable	<u>\$ 11,033</u>	<u>\$ 966</u>	<u>\$ 5,841</u>	<u>\$ 130</u>	<u>\$ 465</u>	<u>\$ 18,435</u>

Amounts actually written off during the year were \$30,657 for Local Option Sales Tax Fund, \$40,500 for the nonmajor Governmental Funds, \$986,902 for the Water Resources Fund, \$165,422 for the Stormwater Fund, \$133,906 for the Sanitation Fund, \$193,645 for the nonmajor Enterprise Funds and a recovery of \$149,110 for the General Fund.

The City had notes receivable in the following funds at September 30, 2012. 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%	Note from Neighborhood Lending Partners of West Florida for \$ 1,350,000 construction and leasehold improvements to the Tangerine Plaza Shopping Center. Monthly principal payments of \$4,167 for twenty seven years begin July 15, 2015	1,350,000
5.00%	Note from Grand Bohemian SP, Ltd. for property purchased, bearing interest of 5%. Monthly payments of interest only of \$6,250 through August 15, 2010. Monthly payments of principal and interest of \$9,899 due thereafter through August 15, 2013. The remainder shall be due and payable at the earliest of August 14, 2013 or upon transfer of ownership of property.	1,379,513
		<u>\$ 2,729,513</u>

**GRANTS FUND**

Community Development Block Grants

Various %	Mortgage notes of various term dates and interest rates for residential rehabilitation loans from the Community Development Block Grants, due in various monthly payments	298,208
Neighborhood Stabilization Program Various %	Mortgage notes of various term dates from individuals for home-buyer assistance loans from the Neighborhood Stabilization Program, due in various monthly payments.	27,650
HOME Grants Various %	Mortgage notes of various term dates from individuals for residential rehabilitation and home buyer assistance loans, and from multi-family developers for acquisition, rehabilitation and or construction loans from the HOME Grants, due in various monthly payments.	5,617,090
		<u>\$ 5,942,948</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

**SPECIAL REVENUE FUNDS**

Local Housing Assistance Trust

0.00%	Mortgage notes of various term dates from individuals for residential rehabilitation and home buyer assistance loans, and from multi-family developers for acquisition, rehabilitation and or construction loans from the State Housing Initiative Partnership Program, due in various monthly payments	\$	3,867,486
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Community Housing Trust

Various%	Mortgage notes of various dates and interest rates for multi-family developer acquisition and rehabilitation/construction notes from the Community Housing Trust Grants, due in monthly payments including interest to start in fiscal years 2014 through 2017.		2,636,680
			\$ 6,504,166

**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.	\$	206,225
			\$ 15,382,852

**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, 2012.

**ENTERPRISE FUNDS**

Water Resources

3.43% - 5.03%	Contract receivable from Tampa Bay Water Authority for sale of well fields and pipelines, due in monthly payments of \$139,481 including interest, through September 2028.	\$	18,124,752
			(771,176)
			\$ 17,353,576

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
September 30, 2012

**NOTE 8 - CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2012 is presented in the following schedules:

Primary Government

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfer</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 125,111,014	\$ 6,159,015	\$ -	\$ (1,523,157)	\$ 129,746,872
Construction in progress	<u>17,817,157</u>	<u>20,765,047</u>	<u>(29,598,061)</u>	<u>-</u>	<u>8,984,143</u>
Total Capital Assets, not being depreciated	<u>142,928,171</u>	<u>26,924,062</u>	<u>(29,598,061)</u>	<u>(1,523,157)</u>	<u>138,731,015</u>
Capital assets, being depreciated:					
Buildings and systems	151,861,665	3,075,017	(887,704)	(19,967)	154,029,011
Improvements and Infrastructure	383,384,791	13,016,020	(112,290)	(2,426,717)	393,861,804
Machinery and equipment	<u>140,867,590</u>	<u>14,595,884</u>	<u>(8,224,165)</u>	<u>(85,474)</u>	<u>147,153,835</u>
Total Capital Assets being depreciated	<u>676,114,046</u>	<u>30,686,921</u>	<u>(9,224,159)</u>	<u>(2,532,158)</u>	<u>695,044,650</u>
Less accumulated depreciation for:					
Buildings and systems	(66,916,450)	(3,584,502)	483,672	13,698	(70,003,582)
Improvements and Infrastructure	(212,230,241)	(14,107,548)	112,225	272,649	(225,952,915)
Machinery and equipment	<u>(113,264,832)</u>	<u>(9,270,664)</u>	<u>8,153,072</u>	<u>85,998</u>	<u>(114,296,426)</u>
Total accumulated depreciation	<u>(392,411,523)</u>	<u>(26,962,714)</u>	<u>8,748,969</u>	<u>372,345</u>	<u>(410,252,923)</u>
Total Capital Assets, being depreciated, net	<u>283,702,523</u>	<u>3,724,207</u>	<u>(475,190)</u>	<u>(2,159,813)</u>	<u>284,791,727</u>
Governmental activities Capital Assets, net	<u>\$ 426,630,694</u>	<u>\$ 30,648,269</u>	<u>\$ (30,073,251)</u>	<u>\$ (3,682,970)</u>	<u>\$ 423,522,742</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

<u>Business Type Activities</u>	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfer</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Land	\$ 29,415,166	\$ -	\$ -	\$ 1,523,157	\$ 30,938,323
Construction in progress	8,569,540	28,176,408	(31,461,047)	-	5,284,901
Total Capital Assets, not being depreciated	<u>37,984,706</u>	<u>28,176,408</u>	<u>(31,461,047)</u>	<u>1,523,157</u>	<u>36,223,224</u>
Capital assets, being depreciated:					
Buildings and systems	291,174,044	1,204,497	(471,749)	19,967	291,926,759
Improvements other the buildings	86,440,288	1,952,614	(4,286,813)	2,426,717	86,532,806
Machinery and equipment	58,704,573	880,101	(4,800,615)	85,474	54,869,533
Utility Systems	852,355,515	30,483,125	-	-	882,838,640
Total Capital Assets being depreciated	<u>1,288,674,420</u>	<u>34,520,337</u>	<u>(9,559,177)</u>	<u>2,532,158</u>	<u>1,316,167,738</u>
Less accumulated depreciation for:					
Buildings and systems	(105,836,480)	(9,455,282)	467,138	(13,698)	(114,838,322)
Improvements other than buildings	(49,031,671)	(5,274,694)	3,939,559	(272,649)	(50,639,455)
Machinery and equipment	(47,565,429)	(3,065,677)	4,673,795	(85,998)	(46,043,309)
Utility Systems	(313,134,882)	(18,860,420)	-	-	(331,995,302)
Total accumulated depreciation	<u>(515,568,462)</u>	<u>(36,656,073)</u>	<u>9,080,492</u>	<u>(372,345)</u>	<u>(543,516,388)</u>
Total Capital Assets, being depreciated, net	<u>773,105,958</u>	<u>(2,135,736)</u>	<u>(478,685)</u>	<u>2,159,813</u>	<u>772,651,350</u>
Business-type Activities Capital Assets, net	<u>\$ 811,090,664</u>	<u>\$ 26,040,672</u>	<u>\$ (31,939,732)</u>	<u>\$ 3,682,970</u>	<u>\$ 808,874,574</u>

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

Governmental Activities:

General Government	\$ 1,412,523
Community and Economic Development	1,941,693
Public Safety – Police	1,144,885
Public Safety – Fire and EMS	1,575,591
Public Works, including depreciation of general infrastructure assets	14,497,948
Recreation and Culture	6,390,074
Total depreciation expense – governmental activities	<u>\$ 26,962,714</u>

Business-type Activities:

Water Resources	\$ 17,093,564
Stormwater	5,762,513
Sanitation	1,735,320
Tropicana	3,744,019
Other nonmajor business-type funds	8,320,657
Total depreciation expense – business-type activities	<u>\$ 36,656,073</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

Pier & Albert Whitted Water Reclamation Facility (WRF) Closures:

The City-owned Pier, which is operated as an enterprise fund, is scheduled to close May 31, 2013. A new Pier design has been selected and a contract awarded in fiscal year 2012 to the architectural firm of Michael Maltzan Architecture, Inc., winners of the City's international design competition. The Albert Whitted WRF at Albert Whitted Airport is scheduled to be decommissioned in fiscal year 2015 with all capacity redirected to other efficient facilities with capacity availability.

For the current fiscal year, the estimated useful life for the Pier's and Albert Whitted WRF's building and improvements was recalculated reflecting the remaining service life of the facilities. The Pier and Albert Whitted WRF capital assets depreciation was accelerated in accordance with these closures.

Construction Commitments:

Outstanding construction contract and special order equipment commitments and estimated additional costs to complete projects in progress at September 30, 2012 are summarized as follows:

	<u>Construction Contracts</u>	<u>Estimated Additional Costs to Complete Projects in Progress</u>	<u>Total Additional Costs to Complete Projects in Progress</u>
<b>CAPITAL PROJECTS FUNDS</b>			
General Capital Improvement	\$ 1,522,531	\$ 7,329,818	\$ 8,852,349
Local Option Sales Surtax Improvement	5,583,943	31,264,857	36,848,800
Transportation Improvement	1,696,857	5,967,601	7,664,458
Downtown Parking Garage	18,901	316,419	335,320
Weeki Wachee	47,269	1,534,260	1,581,529
Total Capital Projects Funds	<u>\$ 8,869,501</u>	<u>\$ 46,412,955</u>	<u>\$ 55,282,456</u>
<b>ENTERPRISE FUNDS</b>			
Water Resources	\$ 7,780,585	\$ 16,349,896	\$ 24,130,481
Stormwater	2,289,007	12,262,715	14,551,722
Tropicana	-	428,685	428,685
Other nonmajor business-type funds	107,802	2,302,944	2,410,746
Total Enterprise Funds	<u>\$ 10,177,394</u>	<u>\$ 31,344,240</u>	<u>\$ 41,521,634</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 9 - DISCRETELY PRESENTED COMPONENT UNIT**

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

	Original and Final Budget	Actual	Variance With Final Budget Over /Under
Revenues	\$ 14,000	\$ 5,008	\$ (8,992)
Expenditures	14,000	175	13,825
Excess of Revenues Over Expenditures	-	4,833	4,833
Budgetary Fund Balance October 1, 2011	50,324	50,324	-
Reserve for Encumbrances – October 1, 2011	-	-	-
Budgetary Fund Balance September 30, 2012	\$ 50,324	\$ 55,157	\$ 4,833

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

The composition of due to/from other funds as of September 30, 2012, is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Grants	\$ 60,632
	Nonmajor Governmental Funds	346,105
	Nonmajor Enterprise Fund	555,699
	Total	\$ <u>962,436</u>

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

Water Resources advanced \$8,995,565 to the Excise Tax Debt Service Fund in fiscal year 2008 to cover debt covenant requirements of the debt service fund. This advance is considered long term and is expected to be repaid in fiscal year 2015 after the associated debt is paid off.

The General Fund advanced \$1,154,319 and \$2,907,063 to the Grants Fund and Airport Fund, respectively, as of September 30, 2012. The General Fund advanced monies to the Grants Fund in fiscal year 2010 for the Jordan School Improvements Project and advanced monies to the Airport Fund in fiscal year 2011 for payments in prior years to fund operations with an outstanding balance (see Note 22). These advances are considered long term.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 10 - INTERFUND RECEIVABLES, PAYABLES, TRANSFERS, AND ADVANCES – (Continued)**

The composition of interfund transfers during fiscal year 2012 are as follows:

Interfund Transfers of Financial Assets:

	General Fund	Community Redevelopment District	Downtown Redevelopment District	Nonmajor Governmental	Water Resources	Tropicana	Nonmajor Business-type	Internal Service	Total Transfers Out
General Fund	\$ -	4,152,564	\$ -	2,904,422	35,000	1,471,000	2,948,000	38,400	\$ (11,549,385)
Community Redevelopment District	-	-	7,317,557	1,250,000	-	-	-	-	(8,567,557)
Downtown Redevelopment District	-	-	-	7,039,369	-	-	-	-	(7,039,369)
Local Option Sales Surtax Improvement	64,450	-	-	-	-	-	-	-	(64,450)
Grants	144,000	-	-	230,531	-	-	-	-	(374,531)
Nonmajor Governmental	390,460	-	-	24,437,801	63,615	-	-	20,600	(24,912,476)
Internal Service	470,004	-	-	-	-	-	-	49,800	(519,804)
Water Resources	9,693,516	-	-	-	-	-	-	-	(9,693,516)
Stormwater	1,864,572	-	-	-	-	-	-	-	(1,864,572)
Sanitation	3,022,500	-	-	-	-	-	-	-	(3,022,500)
Nonmajor Business-type	1,165,355	-	-	-	-	-	-	-	(1,165,356)
Total Transfers in	\$ 16,814,857	\$ 4,152,564	\$ 7,317,557	\$ 35,862,123	\$ 98,615	\$ 1,471,000	\$ 2,948,000	108,800	\$ 68,773,516

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

**NOTE 11 – OPERATING LEASE OBLIGATIONS**

The City has entered into several non-cancelable operating lease agreements for equipment which end on various dates through 2017, with an option for an additional five year term. The operating lease expense was \$597,059 for the fiscal year ended September 30, 2012. The following is a schedule by years of the future rentals on non-cancelable leases as of September 30, 2012:

Fiscal Year Ending September 30:	2013	\$ 575,861
	2014	143,191
	2015	80,399
	2016	17,558
	2017	8,009
Total Minimum Future Rentals		\$ <u>825,018</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**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, 2012. Compensated absences are paid from the fund in which they occur. (In thousands of dollars.)

<u>Governmental Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds & Notes Payable:					
Revenue Bonds	\$ 63,575	\$ -	\$ (14,275)	\$ 49,300	\$ 8,115
Notes	39,033	21,522	(24,400)	36,155	3,823
	<u>102,608</u>	<u>21,522</u>	<u>(38,675)</u>	<u>85,455</u>	<u>11,938</u>
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Bonds	(270)	-	(206)	(476)	-
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Notes	(120)	-	39	(81)	-
Total Bonds and Notes Payable	102,218	21,522	(38,842)	84,898	11,938
Claims and Judgments	33,103	39,371	(37,366)	35,108	9,302
Compensated Absences	15,069	138	(539)	14,668	539
Contingent Liability	1,749	-	(37)	1,712	-
Subtotal before OPEB Liability	152,139	61,031	(76,784)	136,386	21,779
OPEB Liability	26,765	5,643	-	32,408	-
Governmental Activity Long-term Liabilities	<u>\$ 178,904</u>	<u>\$ 66,674</u>	<u>\$ (76,784)</u>	<u>\$ 168,794</u>	<u>\$ 21,779</u>

On December 6, 2011, the City borrowed \$21,522,000 from JP Morgan Chase Bank. The loan was used to refinance the Bank of America Public Capital Corp Tax Exempt Non Ad Valorem Revenue Notes, Series 2008A. The interest rate for the new loan is 1.91% and the loan matures in 2020. The interest is due semi-annually and the principal is due annually.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

<u>Business Type Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds, Notes Payable and Capitalized Lease:					
Revenue Bonds	\$ 266,395	\$ -	\$ (4,190)	\$ 262,205	\$ 4,675
Notes	22,850	4,812	(1,859)	25,803	1,924
Capitalized Lease	162	-	(46)	116	47
	<u>289,407</u>	<u>4,812</u>	<u>(6,095)</u>	<u>288,124</u>	<u>6,646</u>
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Bonds	(2,672)	-	1,550	(1,122)	-
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Notes	<u>(47)</u>	<u>-</u>	<u>24</u>	<u>(23)</u>	<u>-</u>
Total Bonds, Notes Payable and Capitalized Lease	286,688	4,812	(4,521)	286,979	6,646
Compensated Absences	<u>3,829</u>	<u>170</u>	<u>(99)</u>	<u>3,900</u>	<u>99</u>
Subtotal before OPEB Liability	290,517	4,982	(4,620)	290,879	6,745
OPEB Liability	<u>6,737</u>	<u>1,586</u>	<u>-</u>	<u>8,323</u>	<u>-</u>
Business Type Activity Long-term Liabilities	<u>\$ 297,254</u>	<u>\$ 6,568</u>	<u>\$ (4,620)</u>	<u>\$ 299,202</u>	<u>\$ 6,745</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

On December 21, 2007, the City entered into an agreement with The Young Men’s Christian Association of Greater St. Petersburg, Florida, Inc. (YMCA). The agreement laid out the terms of a new construction project at the Child’s Park Sports Complex. The YMCA agreed to build, operate and manage a new YMCA Community Center and the City desired to operate a branch of the City’s library system and provide for a community meeting room/auditorium for the benefit and use by the citizens of St. Petersburg within the newly constructed complex. The City committed to contributing \$1,000,000 towards the construction. The building was completed in October 2008. Per the terms of the agreement, upon completion, the YMCA donated the building to the City and the City subsequently leased it back to the YMCA for \$30 for thirty years, with an extension option for another thirty years. (The building is included in Buildings and Systems under Governmental Activities in Note 8 – Capital Assets). In the event of early termination of the lease by the City or if the City refuses to grant a request for the new lease extension, the City shall reimburse the YMCA for the unamortized portion of its total project costs less the \$1,000,000 that the City has already contributed. This liability is contingent upon the City terminating the lease. The YMCA’s portion of the cost (net of the \$1,000,000 paid by the City) of \$1,860,910 shall be amortized over a 50-year period, per the terms of the lease. The annual amortization of \$37,218 will be recognized as contribution revenue. During fiscal year 2012, \$37,218 was amortized and recognized as contribution revenue on the city wide financial statements leaving a balance of \$1,712,037 at September 30, 2012, which is included in summary of the long term obligations for Governmental Activities.

Bonds, Notes Payable and Capitalized Lease by major and non-major businesses (in thousands of dollars.):

<u>Major &amp; Non-Major Business Activities</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Water Resources	\$ 262,641	\$ 4,812	\$ (5,464)	\$ 261,989	\$ 5,986
Stormwater	20,764	-	(150)	20,614	158
Non-major Business Activities	<u>6,002</u>	<u>-</u>	<u>(481)</u>	<u>5,521</u>	<u>502</u>
	289,407	4,812	(6,095)	288,124	6,646
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Bonds	(2,672)	-	1,550	(1,122)	-
Unamortized Premiums, Discounts and Deferred Amounts on Refunding for Notes	<u>(47)</u>	<u>-</u>	<u>24</u>	<u>(23)</u>	<u>-</u>
Total Bonds, Notes Payable and Capitalized Lease	<u>\$ 286,688</u>	<u>\$ 4,812</u>	<u>\$ (4,521)</u>	<u>\$ 286,979</u>	<u>\$ 6,646</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

Since 1998, the City has requested and received loans from the Florida Department of Environmental Protection (FDEP) under its State Revolving Fund (SRF) loan program. The loans represent direct grants from the U.S. Environmental Protection Agency. The City has entered into seven SRF agreements for wastewater facilities, four with the FDEP and three with the FL Water Pollution Control Financing Corporation. The City is required to make semi-annual principal and interest payments over twenty years beginning two years after the state loans approval. The following loans, interest rates, and maturities are included in the business-type activities notes payable. (In thousands of dollars.) :

**Completed Loans**

<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	\$ 13,228	\$ 6,510	3.11% -3.18%	09/15/20
May 4, 2000	09/15/03	CS120521020	3,587	2,169	3.33%	11/15/22
Nov 2, 2001	09/15/03	CS12052104P	446	278	3.05%	09/15/23
Nov 8, 2001	09/05/04	CS120521030	5,852	3,666	2.93% - 3.05%	09/15/23
Dec 5, 2001	01/15/04	WW52105A	392	66	2.96%	01/15/24
Dec 5, 2003	01/15/04	WW52105L	4,519	2,897	2.96%	01/15/24
			<u>\$ 28,024</u>	<u>\$ 15,586</u>		

**Pending Loans**

<u>Loan Approval Date</u>	<u>Issue Date</u>	<u>Loan Number</u>	<u>Proposed Loan Amount</u>	<u>Loan Draws to Date</u>	<u>Interest Rate</u>	<u>Maturity</u>
May 18, 2011	N/A	WW520600	\$ 7,120	\$ 4,812	2.67%	05/15/33

On May 18, 2011, the City received additional funding under this program for improvements at its Southwest Water Reclamation Facility. After final disbursement of loan proceeds, the semi-annual loan payment will be based on the actual project costs and the loan service fee.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

Debt Service requirements at September 30, 2012 were as follows (in thousands of dollars):

Year End September 30	<u>Governmental Activities</u>			
	<u>Revenue Bonds</u>		<u>Notes</u>	
	Principal	Interest	Principal	Interest
2013	\$ 8,115	\$ 2,162	\$ 3,823	\$ 1,060
2014	8,510	1,753	6,173	881
2015	8,930	1,327	6,300	676
2016	8,940	896	6,441	464
2017	1,245	655	3,347	249
2018-2022	7,080	2,390	10,071	347
2023-2026	6,480	579	-	-
Total	<u>\$ 49,300</u>	<u>\$ 9,762</u>	<u>\$ 36,155</u>	<u>\$ 3,677</u>

Year End September 30	<u>Business-Type Activities</u>						<u>Stormwater Revenue Bonds</u>	
	<u>Water Resources</u>			<u>Notes</u>		Principal	Interest	
	<u>Revenue Bonds</u>		(1)	(2)	Interest			
	Principal	Interest	Subsidy	Principal	Interest			
2013	\$ 4,517	\$ 11,918	\$ (1,188)	\$ 1,468	\$ 475	\$ 158	\$ 897	
2014	4,705	11,728	(1,185)	1,492	428	160	891	
2015	4,897	11,524	(1,182)	1,516	382	168	884	
2016	5,104	11,306	(1,179)	1,564	334	176	878	
2017	5,323	11,076	(1,175)	1,613	284	182	870	
2018-2022	25,932	51,859	(5,787)	6,961	672	5,358	3,978	
2023-2027	28,749	45,980	(5,601)	972	24	9,836	2,159	
2028-2032	43,409	38,060	(5,339)	-	-	4,576	208	
2033-2037	59,875	25,642	(4,939)	-	-	-	-	
2038-2041	59,080	7,450	(2,271)	-	-	-	-	
Total	<u>\$ 241,591</u>	<u>\$ 226,543</u>	<u>\$ (29,846)</u>	<u>\$ 15,586</u>	<u>\$ 2,599</u>	<u>\$ 20,614</u>	<u>\$ 10,765</u>	

Note 1: Anticipated Direct Subsidy Payments for the 2010A Public Utility Revenue Bonds (Build America Bonds) and the 2010B Public Utility Revenue Bonds (Recovery Zone Economic Development Bonds).

Note 2: Principal of \$4,812,423 for pending State Revolving Fund Loan (WW520600) is not included in this schedule.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

Debt Service requirements at September 30, 2012 were as follows (in thousands of dollars):

Year End September 30	Non-Major Business Activities			
	Notes		Capitalized Lease	
	Principal	Interest	Principal	Interest
2013	\$ 455	\$ 214	\$ 47	\$ 2
2014	470	195	49	1
2015	490	178	20	-
2016	505	160	-	-
2017	525	141	-	-
2018-2022	2,960	372	-	-
Total	\$ 5,405	\$ 1,260	\$ 116	\$ 3

Capital Lease:

During fiscal year 2011, the City entered into a 4 year lease agreement as a lessee for financing the acquisition of golf carts for the City's golf courses. The lease agreement qualifies as a capital lease for accounting purposes and therefore, has been recorded at the present value of the future minimum lease payments as of the inception date.

The assets acquired through the capital lease, as reported in business activities, is as follows:

Asset	
Machinery and equipment	\$ 266,106
Less: accumulated depreciation	(79,815)
Total	\$ 186,291

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

The following is a summary of bonds and notes interest requirements to maturity (in thousands of dollars):

	Original Issue Par	Debt Payable 9/30/12	Interest Requirements To Maturity	Total
<u>Revenue Bonds</u>				
1993 Excise Tax Refunding Revenue	\$ 114,305	\$ 29,925	\$ 3,077	\$ 33,002
2003 Professional Sports Facility	27,185	19,375	6,685	26,060
2003 Public Utility Revenue	45,000	43,325	34,948	78,273
2005 Public Utility Revenue	50,420	47,120	38,616	85,736
2006 Public Utility Refunding Revenue	52,550	51,535	26,913	78,448
2009A Public Utility Revenue	53,015	51,970	58,581	110,551
2009B Public Utility Refunding Revenue	23,375	18,875	3,486	22,361
2010A Public Utility Revenue - Build America Bonds	29,685	29,685	37,973	67,658
2010B Public Utility Revenue - Recovery Zone Economic Development Bonds	19,695	19,695	36,791	56,486
Total Revenue Bonds	<u>\$ 415,230</u>	<u>311,505</u>	<u>247,070</u>	<u>558,575</u>
Less: Direct Subsidy Payments (Note 1)		-	(29,846)	(29,846)
Less: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		(1,598)	-	(1,598)
Net Revenue Bonds		<u>309,907</u>	<u>217,224</u>	<u>527,131</u>
<u>Notes Payable</u>				
2001 FFGFC Note	17,480	9,420	1,330	10,750
2007 FFGFC Note	7,430	5,405	1,261	6,666
2008B Bank of America Note	1,874	1,426	336	1,762
2010 BB&T Note	4,520	3,965	266	4,231
2011 JP Morgan Chase Note	21,522	21,344	1,744	23,088
State Revolving Loans (Note 2)	28,024	15,586	2,599	18,185
Total Notes Payable	<u>\$ 80,850</u>	<u>57,146</u>	<u>7,536</u>	<u>64,682</u>
Less: Unamortized Premiums, Discounts and Deferred Amounts on Refunding		(104)	-	(104)
Net Notes Payable		<u>57,042</u>	<u>7,536</u>	<u>64,578</u>
<u>Capitalized Lease</u>				
2011 BB&T Lease	189	116	3	119
Total Capitalized Lease	<u>\$ 189</u>	<u>116</u>	<u>3</u>	<u>119</u>
Total Bonds, Notes and Capitalized Lease		<u>\$ 367,065</u>	<u>\$ 224,763</u>	<u>\$ 591,828</u>

Note 1: Anticipated Direct Subsidy Payments for the 2010A Public Utility Revenue Bonds (Build America Bonds) and the 2010B Public Utility Revenue Bonds (Recovery Zone Economic Development Bonds).

Note 2: Pending State Revolving fund loan (WW520600) is not included in this schedule.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 12 - LONG - TERM OBLIGATIONS - (Continued)**

Bonds outstanding at September 30, 2012, mature in varying amounts during succeeding fiscal years through 2041. Interest rates are as follows: 1.50% to 6.60% on Revenue Bonds, and 1.91% to 4.79% on Notes Payable. The Capital Lease matures on February 9, 2015 and the interest rate is 2.33%. For detailed information on the City's debt also refer to the Debt Supplement Report prepared by the Finance Department available on the City's web site.

The Professional Sports Facility Sales Tax Refunding Revenue Bonds, the Excise Tax Revenue Bonds, the Public Improvement Refunding Revenue Bonds and the Public Utility Revenue and Refunding Bonds and Notes are all secured by pledged revenue from the Professional Sports Facility Sales Tax fund, the Excise Tax fund, the CRA fund and the Water Resources and Stormwater funds, respectively. Revenues received are transferred into the debt services funds up to the amount of principal and interest required for the year. All remaining revenues are used for other purposes as specified by the fund.

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, 2012, the City believes it is in compliance with these requirements.

**NOTE 13 – ARBITRAGE REBATE**

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

There is no arbitrage rebate liability as of September 30, 2012.

**NOTE 14 – CONDUIT DEBT OBLIGATION**

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

The bonds are secured by the property and the net operating revenues of the borrowing entity and are payable solely from these sources. 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, 2012, there were six series of Private Activity Bonds outstanding relating to health facilities that have been issued since December 1, 2002. The aggregate principal amount of all Outstanding Private Activity Bonds cannot be determined; however the original issue amounts totaled \$255 million, including three refunding issues totaling \$208 million.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

The computation of interest expense on debt in the Enterprise Funds, net of capitalized interest at September 30, 2012 is shown below:

	Water Resources	Stormwater	Marina	Golf Courses
Interest Paid on Debt	\$ 12,062,626	\$ 903,332	\$ 231,271	\$ 3,288
Less: Accrued Interest 9/30/11	(6,122,446)	(453,166)	(57,818)	-
Plus: Accrued Interest 9/30/12	6,064,805	450,166	53,468	-
Interest Expense on State Revolving Loan	519,359	-	-	-
Amortization of Deferred Gain/Loss on Bond Refunding	136,759	60,167	-	-
Total Interest Cost	12,661,103	960,499	226,921	3,288
Less: Capitalized Interest	(964,238)	-	-	-
Net Interest Expense on Debt Before Interest Subsidy	11,696,865	960,499	226,921	3,288
Interest Subsidy	(1,188,752)	-	-	-
Accrued Interest Subsidy 9/30/11	594,376	-	-	-
Accrued Interest Subsidy 9/30/12	(594,376)	-	-	-
Net Interest Subsidy	(1,188,752)	-	-	-
Net Interest Expense on Debt	<u>\$ 10,508,113</u>	<u>\$ 960,499</u>	<u>\$ 226,921</u>	<u>\$ 3,288</u>

**NOTE 16 – RESTRICTED ASSETS**

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

Revenue bond current debt service amount	\$ 11,130,182
Revenue bond future debt service amount	10,619,189
Bond proceeds for construction	37,535,762
Total	<u>\$ 59,285,133</u>

**NOTE 17 – RISK MANAGEMENT**

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

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
*September 30, 2012*

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

General and Automotive Liability:

State statutes limit municipal liability associated with tort actions to \$100,000 per person and \$200,000 per occurrence (for occurrences before October 1, 2011) except under certain circumstances. The limit will increase to \$200,000 per person and \$300,000 per occurrence as of October 1, 2011 and that increase applies to claims on or after that date. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2012.

Property Damage:

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

Workers' Compensation:

The City is self insured for all Workers' Compensation benefits as defined by State Statute. The funding is provided by charges to the various departments of the City based on payroll and the workers' compensation rates as defined in the State classification codes. The Workers' Compensation rates are charged by payroll class and claims. These are reviewed annually by the Bureau of Self Insurance, Division of Workers' Compensation, Department of Labor and Employment Security, State of Florida. Non incremental claims adjustment expenses are included as part of the liability for claims. The City obtained an actuarial valuation of the outstanding claims as of September 30, 2012.

Group Medical:

The City was fully insured for group medical coverage through March 31, 2011. On April 1, 2011, the City contracted with United Health Care to administer the self-funded group medical insurance plan. The plan is funded by employee contributions and by City contributions and is maintained in the City's Insurance internal service fund. The City contributions are allocated to the different funds of the City based on employee participation in the plan. The City purchased a stop-loss insurance policy of \$400,000 per individual annually and a risk corridor of 120% of aggregate claims in excess of approximately \$43 million annually on the self-insured health insurance plan.

At September 30, 2012, the plan had net assets of \$16,594,363. Included as a liability of the fund at September 30, 2012 was incurred but not reported claims (IBNR) of \$2,469,253.

Life Insurance – Public Safety Officers:

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

The City provides life insurance in the amount \$35,000 for fire captains and fire district chiefs.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

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

The City also provides a short term disability program for management employees as a supplement to the extended illness leave program. The City is self-insured for these liabilities.

Operating funds are charged premiums, based on risk for workers' compensation; employee participation for health and life insurance; loss experience for general and auto liability and the premium portion of insured risks by the Insurance Internal Service Fund. The claim liabilities were determined by an actuarial valuation using a discount rate of 3.0%. Non incremental claims adjustment expenses are included as part of the liability for claims. Estimated claims liabilities for all self-insured risks are reported as accrued claims in the Insurance Fund which includes an estimate for incurred but not reported claims.

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

	<u>Health Insurance</u>	<u>Workers' Compensation</u>	<u>Auto &amp; General Liability</u>	<u>Total</u>
Balance 9/30/09	\$ -	\$ 13,622,000	\$ 4,761,000	\$ 18,383,000
Paid Claims	-	(4,883,812)	(271,642)	(5,155,454)
Incurred Claims	-	<u>9,968,812</u>	<u>668,642</u>	<u>10,637,454</u>
Balance 9/30/10	-	18,707,000	5,158,000	23,865,000
Paid Claims	(13,441,641)	(2,162,896)	(1,718,459)	(17,322,996)
Incurred Claims	<u>15,881,168</u>	<u>8,668,896</u>	<u>2,011,112</u>	<u>26,561,176</u>
Balance 9/30/11	2,439,527	25,213,000	5,450,653	33,103,180
Paid Claims	(32,252,870)	(3,941,109)	(1,172,510)	(37,366,489)
Incurred Claims	<u>32,282,596</u>	<u>4,582,109</u>	<u>2,506,857</u>	<u>39,371,562</u>
Balance 9/30/12	\$ <u><u>2,469,253</u></u>	\$ <u><u>25,854,000</u></u>	\$ <u><u>6,785,000</u></u>	\$ <u><u>35,108,253</u></u>

Current portion of claims liabilities were estimated at \$2,469,253 for Health Insurance, \$5,309,000 for Workers' Compensation and \$1,524,000 for Auto and General Liability as of September 30, 2012. Actuarial valuation of the claims liabilities were calculated as of September 30, 2011 and 2012.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS**

A. DEFINED BENEFIT PLANS

Plan Description

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

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, 2012.

	<u>Employees</u> <u>Retirement Fund</u>	<u>Fire</u> <u>Pension Fund</u>	<u>Police</u> <u>Pension Fund</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and Cash Equivalents				
Demand Deposits	\$ 6,496	\$ (1,299)	\$ 16,507	\$ 21,704
Trustee Accounts	20,272,134	4,941,862	6,786,334	32,000,330
Total Cash and Cash Equivalents	<u>20,278,630</u>	<u>4,940,563</u>	<u>6,802,841</u>	<u>32,022,034</u>
Receivables				
Unsettled Investment Sales	269,169	-	39,201	308,370
Interest and Dividends	817,421	746,523	1,061,685	2,625,629
Accounts Receivable	18,332	-	-	18,332
Total Receivables	<u>1,104,922</u>	<u>746,523</u>	<u>1,100,886</u>	<u>2,952,331</u>
Investments, at Fair Value				
Government Securities	18,672,090	29,504,045	29,892,834	78,068,969
Corporate Bonds	51,464,956	37,140,716	51,105,617	139,711,289
Common and Preferred Stock	178,314,761	122,240,754	206,173,658	506,729,173
Alternative Investments	30,002,262	-	18,343,677	48,345,939
Total Investments	<u>278,454,069</u>	<u>188,885,515</u>	<u>305,515,786</u>	<u>772,855,370</u>
<b>TOTAL ASSETS</b>	<u>299,837,621</u>	<u>194,572,601</u>	<u>313,419,513</u>	<u>807,829,735</u>
<b>LIABILITIES</b>				
Payables				
Accounts	32,699	21,250	44,867	98,816
Uncashed Checks	-	-	1,192	1,192
Unsettled Investment Purchases	-	14,596	-	14,596
<b>TOTAL LIABILITIES</b>	<u>32,699</u>	<u>35,846</u>	<u>46,059</u>	<u>114,604</u>
<b>NET ASSETS</b>				
Held in Trust for Pension Benefits	<u>\$ 299,804,922</u>	<u>\$ 194,536,755</u>	<u>\$ 313,373,454</u>	<u>\$ 807,715,131</u>

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

	Employees Retirement Fund	Fire Pension Fund	Police Pension Fund	Total
<b>ADDITIONS</b>				
<b>Contributions</b>				
Employer (Charges to Other Funds)	\$ 12,428,680	\$ 9,919,996	\$ 10,589,728	\$ 32,938,404
Employees	1,451,686	992,749	2,084,215	4,528,650
State	-	1,871,287	1,631,958	3,503,245
Total Contributions	13,880,366	12,784,032	14,305,901	40,970,299
<b>Investment Income</b>				
Net Increase in Fair Value of Investments	33,424,245	20,922,130	35,449,313	89,795,688
Interest on Investments	10,314,599	6,373,334	8,157,711	24,845,644
Dividends on Stock	3,120,589	1,584,392	4,031,501	8,736,482
Total Investment Gain	46,859,433	28,879,856	47,638,525	123,377,814
Less Investment Expense	(1,200,192)	(776,331)	(1,087,006)	(3,063,529)
Net Investment Gain	45,659,241	28,103,525	46,551,519	120,314,285
Total Additions	59,539,607	40,887,557	60,857,420	161,284,584
<b>DEDUCTIONS</b>				
Benefits	14,905,196	12,761,683	17,005,156	44,672,035
DROP Contributions	1,402,573	3,372,738	3,829,315	8,604,626
Refund of Contributions	252,358	82,525	155,005	489,888
Administrative Expenses	79,271	107,981	218,951	406,203
Total Deductions	16,639,398	16,324,927	21,208,427	54,172,752
<b>NET CHANGE IN NET ASSETS</b>	42,900,209	24,562,630	39,648,993	107,111,832
<b>NET ASSETS HELD IN TRUST FOR PENSION BENEFITS BEGINNING OF YEAR – OCTOBER 1</b>				
	256,904,713	169,974,125	273,724,461	700,603,299
<b>END OF YEAR – SEPTEMBER 30</b>	\$ 299,804,922	\$ 194,536,755	\$ 313,373,454	\$ 807,715,131

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

Funding Policy and Actuarial Methods of Assumption

The General Employees, 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. This method is intended to provide for a funding of normal costs as a level percentage of payroll over time and provides for funding of the frozen initial liability (FIL) as a level dollar over time, and the Police and Fire method provides for funding of the unfunded actuarial accrued liabilities (UAAL) as a level percentage of payroll. 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 contribution revenues received from the State of Florida "on behalf" of the City's employees totaled \$1,871,287 and \$1,631,958 for the Fire pension fund and Police fund, respectively. The "on behalf" contributions were recognized as state insurance fund contribution revenues in the current year. The total City payroll for the fiscal year ended September 30, 2012, is approximately \$163.2 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, 2011.

	General Employees	Fire	Police
<b>ACCOUNTING POLICIES &amp; PLAN ASSETS:</b>			
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)	(1)
Covered Payroll	\$ 73,202,535	\$ 14,514,009	\$ 30,746,601
Internal Loans	None	None	None
Non-governmental Investment > 5%	None	None	None

(1) The difference between actual investment return and the expected investment return (based on an 8.00% assumption for fire and police, 7.75% for general employees) each year is recognized over 4 years; in order to be used as valuation assets, the smoothed value must be within the range of 80% and 120% of market value.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

**Membership and Plan Provisions Employees' Retirement System**

Number of Participants	As of October 1,2011	As of October 1,2010
a. Retirees and beneficiaries receiving benefits	1,145	1,131
b. Terminated plan participants entitled to but not yet receiving benefits	237	242
c. Active plan participants	1,593	1,642
d. Total	2,975	3,015

**Development of Annual Required Contribution (ARC)**

	Fiscal Year Ending September 30,2012	Fiscal Year Ending September 30,2011
a. Employer normal cost:		
i. Normal cost	\$ 8,545,988	\$ 8,936,936
ii. Administrative expense	69,247	64,986
iii. Expected employee contributions	1,603,593	1,672,862
iv. Total normal cost plus administrative expenses	\$ 7,011,642	\$ 7,329,060
a. Amortization of UAAL		
i. Unfunded AAL (UAAL)	\$66,357,568	\$60,313,852
ii. Amortization of UAAL	4,229,972	3,791,863
b. Interest Adjustment	1,187,066	1,181,129
c. ARC (Item B.a.iii.plus item B.b.ii. plus item B.c.)	\$12,428,680	\$12,302,052
d. ARC as percentage of payroll	15.5%	14.7%

**Additional Information**

	<u>October 1,2011</u>	<u>October 1,2010</u>
Valuation date	Entry Age Normal	Entry Age Normal
Actuarial cost method	-Level % of Pay	-Level % of Pay
Amortization method	Level percent closed	Level percent closed
Remaining amortization period	1 to 30	2 to 30
Single Amortization period	26 Years	N/A
Asset valuation method	Four-year phase-in of investment gains and losses	Four-year phase-in of investment gains and losses
<u>Actuarial assumptions:</u>		
Investment rate of return	7.75%	7.75%
Projected salary increases	0.00% in Fiscal 2012; 5.00% to 8.50% thereafter	3.00% to 5.10% in fiscal 2011; 5.00% to 8.50% thereafter
Cost-of-living adjustments		
Prior Plan:	2.00%	1.10% in Fiscal 2011; 2.00% thereafter
Supplemental Plan:	1.50%	1.10% in Fiscal 2011; 1.50 % thereafter

**City of St. Petersburg, FL**  
**Notes to the Financial Statements**  
**September 30, 2012**

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

**Membership and Plan Provisions Firefighters' Retirement System**

<b>Number of Participants</b>	<u>As of October 1,2011</u>	<u>As of October 1,2010</u>
a. Retirees and beneficiaries receiving benefits	445	427
b. Terminated plan participants entitled to but not yet receiving benefits	10	11
c. Active plan participants	236	248
d. Total	<u>691</u>	<u>686</u>
<b>Development of Annual Required Contribution (ARC)</b>	<u>Fiscal Year Ending September 30,2012</u>	<u>Fiscal Year Ending September 30,2011</u>
a. Employer normal cost:		
i. Total normal cost plus administrative expenses	\$ 3,934,595	\$ 3,982,788
ii. Expected employee contributions	(1,141,538)	(1,197,824)
iii. Total normal cost plus administrative expenses	<u>\$ 2,793,057</u>	<u>\$ 2,784,964</u>
a. Amortization of UAAL		
i. Present value of future benefits	\$248,703,956	\$250,413,666
ii. Present value of future employer normal costs	(24,428,995)	(26,408,155)
iii. Present value of future employee contributions	<u>(9,107,476)</u>	<u>(9,909,266)</u>
iv. Actuarial accrued liability (AAL)	\$215,167,485	\$214,096,245
v. Actuarial value of assets	<u>(182,115,683)</u>	<u>(180,417,584)</u>
vi. Unfunded AAL (UAAL)	\$ 33,051,802	\$ 33,678,661
vii. Amortization of UAAL	7,285,283	7,961,886
c. Interest Adjustment	<u>1,055,232</u>	<u>1,124,944</u>
d. ARC (Item B.a.iii. plus item B.b.vii. plus item B.c.)	<u>11,133,572</u>	<u>11,871,794</u>
e. ARC as percentage of payroll	68.27%	69.38%

**Additional Information**

	<u>October 1, 2011</u>	<u>October 1,2010</u>
Valuation date	Entry Age Normal	Entry Age Normal
Actuarial cost method	-Level % of Pay	-Level % of Pay
Amortization method	Level percent closed	Level percent closed
Remaining amortization period	1 to 30	1 to 30
Single amortization period	5 Years	N/A
Asset valuation method	Four-year phase-in of investment gains and losses	Four-year phase-in of investment gains and losses
 <u>Actuarial assumptions:</u>		
Investment rate of return	8.00%	8.00%
Projected salary increases	1.00% to 5.50% for fiscal 2012; 5.00% to 9.50% thereafter	5.00% to 9.50%
Cost-of-living adjustments		
Prior Plan:	0.00% for fiscal 2012; 4.00% thereafter	4.00%
Supplemental Plan:	0.00%	0.00%

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

**Membership and Plan Provisions Police Retirement System**

Number of Participants	As of October 1,2011	As of October 1,2010
a. Retirees and beneficiaries receiving benefits	561	529
b. Terminated plan participants entitled to but not yet receiving benefits	60	71
c. Active plan participants	473	494
d. Total	1,094	1,094

**Development of Annual Required Contribution (ARC)**

	Fiscal Year Ending September 30,2012	Fiscal Year Ending September 30,2011
a. Employer normal cost:		
i. Total normal cost plus administrative expenses	\$ 6,076,634	\$ 6,325,525
ii. Expected employee contributions	(2,288,925)	(2,443,520)
iii. Total normal cost plus administrative expenses	\$ 3,787,709	\$ 3,882,005
b. Amortization of UAAL		
i. Present value of future benefits	393,061,043	385,254,159
ii. Present value of future employer normal	(29,809,466)	(31,220,542)
iii. Present value of future employee contributions costs	(15,624,376)	(16,595,767)
iv. Actuarial accrued liability (AAL)	\$347,627,201	\$337,437,850
v. Actuarial value of assets	(306,957,033)	(307,477,804)
vi. Unfunded AAL (UAAL)	40,670,168	29,960,046
vii. Amortization of UAAL	7,180,571	7,922,418
c. Interest Adjustment	1,228,117	1,322,151
d. ARC (Item B.a.iii.plus item B.c.)	\$ 12,196,397	\$ 13,126,574
e. ARC as percentage of projected payroll	37.3%	37.60%

**Additional Information**

	<u>October 1,2011</u>	<u>October 1,2010</u>
Valuation date	Entry Age Normal	Entry Age Normal
Actuarial cost method	-Level % of Pay	-Level % of Pay
Amortization method	Level percent closed	Level percent closed
Remaining amortization period	1 to 30	1 to 30
Single amortization period	9 Years	N/A
Asset valuation method	Four-year phase-in of <u>investment gains and losses</u>	Four-year phase-in of <u>investment gains and losses</u>
<u>Actuarial assumptions:</u>		
Investment rate of return	8%	8%
Projected salary increases	0.50% to 4.00% for fiscal 2012; 4.50% to 8.00% thereafter	0.50% to 4.00% for fiscal 2011; 4.50% to 8.00% thereafter
Cost-of-living adjustments		
Prior Plan:	0.00% for fiscal 2012; 4.00% thereafter	4.0%
Supplemental Plan:	2.00%	1.10% for fiscal 2011; 2.00% thereafter

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

Contributions required and contributions made:

Contributions for the fiscal year ended September 30, 2012 were made in accordance with requirements determined by actuarial valuations of the plans as of October 1, 2010. 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 129.

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

EMPLOYEE'S RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER

Fiscal Year	Required Employer Contribution	Actual Employer Contributions	% Contributed	Net Pension Obligation
9/30/12	\$ 12,428,680	\$ 12,428,680	100	-
9/30/11	\$ 12,302,052	\$ 12,302,052	100	-
9/30/10	\$ 12,102,928	\$ 12,102,928	100	-

FIRE RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY

	Required Contribution	Required Contribution	Required Contribution	Actual Contribution	Actual Contribution	Actual Contribution	% Contr.	Net Pension Obligation
Fiscal Year	Employer	State	Total	Employer	State	Total	Employer /State	
9/30/12	\$ 9,922,656	\$ 1,210,916	\$ 11,133,572	\$ 9,919,996	\$ 1,412,758	\$ 11,332,754	102	-
9/30/11	\$ 10,660,878	\$ 1,210,916	\$ 11,871,794	\$ 10,660,878	\$ 1,372,731	\$ 12,033,609	101	-
9/30/10	\$ 10,068,035	\$ 1,210,916	\$ 11,278,951	\$ 10,068,035	\$ 1,405,380	\$ 11,473,415	102	-

POLICE RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY

	Required Contribution	Required Contribution	Required Contribution	Actual Contribution	Actual Contribution	Actual Contribution	% Contr.	Net Pension Obligation
Fiscal Year	Employer	State	Total	Employer	State	Total	Employer / State	
9/30/12	\$ 10,545,563	\$ 1,650,834	\$ 12,196,397	\$ 10,589,728	\$ 1,631,958	\$ 12,221,686	100	-
9/30/11	\$ 11,475,740	\$ 1,650,834	\$ 13,126,574	\$ 11,475,740	\$ 1,606,669	\$ 13,082,409	100	-
9/30/10	\$ 10,205,894	\$ 1,650,834	\$ 11,856,728	\$ 10,205,894	\$ 1,712,441	\$ 11,918,335	101	-

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

**Funded status and funding progress:**

The funded status of the Plans as of October 1, 2011, the most recent actuarial valuation date, is as follows:

FUNDED STATUS						
Plan	Actuarial Value of Assets  (a)	Actuarial Accrued Liability (FAAL) Frozen Entry Age (b)	Unfunded Frozen (UFAAL)  (b-a)	Funded Ratio  (a/b)	Covered Payroll (1)  (c)	UFAAL as % of Covered Payroll  (b-a) /c
EMPLOYEES' RETIREMENT SYSTEM*	\$ 276,011,117	\$ 355,368,876	\$ 79,357,759	77.7	\$ 73,202,535	108.4
FIRE RETIREMENT SYSTEM	\$ 179,722,186	\$ 215,577,762	\$ 35,855,576	83.4	\$ 14,514,009	247.0
POLICE RETIREMENT SYSTEM	\$ 297,779,277	\$ 355,895,625	\$ 58,116,348	83.7	\$ 30,746,601	189.0

\* Changed to entry age actuarial @ cost method effective October 1, 2009.

(1) Excludes membership above assumed 100% retirement age of 70 years

The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multi-year trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

**B. DEFINED CONTRIBUTION PLAN**

The City contributes to a defined contribution plan established by City Ordinance for exempt management employees and employees not covered by a collective bargaining agreement who have waived membership in the General Employees' Retirement System, of which 90 have so chosen. The plan is administered by International City Management Association Retirement Corporation (ICMA-RC). Plan participants fully vest upon eligibility to participate. The City contributes to the 401a plan account for participants at a rate which is approved by City Council. During the fiscal year ended September 30, 2012, the rate was 11% of pre-deferral salary. The total City contribution to the 401a plan was \$1,002,338 or 11% of covered payroll. For the fiscal year ended September 30, 2012, payroll covered by this plan was \$9,112,164 compared to the total City payroll of approximately \$163.2 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. At termination of employment, the employee has an option of a lump sum payment or roll over into a tax deferred account.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 18 – EMPLOYEE RETIREMENT AND PENSION PLANS – (Continued)**

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

At September 30, 2012, participants and amounts deferred in the DROP plans are as follows:

	Participants	Custodial Assets
Fire	66	\$ 13,215,428
General Employees	64	\$ 6,090,502
Police	77	\$ 11,461,884

**NOTE 19 – POST-RETIREMENT HEALTH BENEFITS**

Plan Description:

The City follows Governmental Accounting Standards Board (GASB) Statement 45, "Accounting and Financial Reporting by Employers for Post-employment Benefits other than Pensions" to account for certain post-retirement health benefits provided by the City. A separate audited GAAP basis post retirement plan report is not prepared for this defined benefit plan.

The City sponsors a single employer defined benefit "other post-employment benefit" ("OPEB") plan. Benefits are stipulated resolutions approved by City Council and through union agreements with the employees and any changes to the benefits must be addressed through union negotiations. Retirees who meet certain age and service requirements may elect coverage for themselves and dependents in one of three health plans: two preferred provider organizations ("PPOs") and an exclusive provider organization ("EPO"). After age 65, retirees have the additional choice of two Medicare Advantage plans. The City currently pays an explicit subsidy equal to 75% of the blended (active and retired) rate for the lowest cost PPO (or the total premium, if less), plus the implicit subsidy equal to the difference between the actual retiree cost ("ARC") and the blended rate. Beginning January 1, 2010, the maximum dollar amount of the explicit employer subsidy was frozen for employees who retire after 2009. These retirees will pay the full cost of any increases in the blended premium in excess of the frozen maximum subsidy.

Funding Policy

All of the above benefit plans are provided through insurance companies or health maintenance organizations (HMO). Some health plan premiums are based on the benefits paid during the plan period ending March 31. The City recognizes the cost of providing benefits by expensing monthly premiums, on a pay-as-you-go basis. There are no plans at this time to fund the OPEB liability and therefore there are no plan assets. For the fiscal year ended September 30, 2012, the cost of retiree health care for 1,177 participants was \$9,465,889 of which \$2,485,887 was paid by the retirees. The City offers vision, dental and AD&D policies paid for entirely by active and retired employees.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
 September 30, 2012

**NOTE 19 – POST-RETIREMENT HEALTH BENEFITS - (Continued)**

Annual OPEB Cost and OPEB Obligation

The City received the revised results of an actuarial valuation of the retiree health benefits for the fiscal year beginning October 1, 2010. The valuation was completed under the requirements of Governmental Accounting Standards Board (GASB) Statement 45. The development of the Net OPEB Obligation is listed below for the fiscal year ended:

	September 30, 2012	September 30, 2011
Annual Required Contribution	\$ 13,413,000	\$ 13,154,000
Interest on the Net OPEB Obligation	1,508,000	1,158,000
Adjustment on the ARC	<u>(1,418,000)</u>	<u>(1,065,000)</u>
Annual OPEB Costs	13,503,000	13,247,000
Less: Contributions made (1)	<u>(6,274,000)</u>	<u>(5,471,000)</u>
Increase in Net OPEB Obligation	7,229,000	7,776,000
Net OPEB Obligation – beginning of year	33,502,000	25,726,000
Net OPEB Obligation – end of year	<u>\$ 40,731,000</u>	<u>\$ 33,502,000</u>

(1) = The percentage contributed was 46.5% (projected) and 41.3% for fiscal year ended September 30, 2012 and 2011 respectively.

Percentage of Annual OPEB Cost Contributed and Net OPEB Obligation

Fiscal Year	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/12	13,503,000	6,274,000	46.50%	40,731,000
9/30/11	13,247,000	5,471,000	41.30%	33,502,000
9/30/10	12,525,000	6,187,000	49.40%	25,726,000

Funded Status and Funding Progress

As of September 30, 2012, the actuarial accrued liability for benefits was \$177,387,000, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the Plan) was \$118,468,145 and the ratio of unfunded actuarial accrued liability (UAAL) to covered payroll is 66.8%.

Actuarial valuations involved estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The schedule of government contributions and two year trend information along with the schedule of funding progress for the current year and two years prior (the dates of the actuarial valuations as required) can be found on page 134 in the Required Supplementary Information.

**City of St. Petersburg, FL**  
*Notes to the Financial Statements*  
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**NOTE 19 – POST-RETIREMENT HEALTH BENEFITS - (Continued)**

Actuarial Methods of Assumptions

Calculations are based on the types of benefits provided under the terms of the substantive plan, including the method of sharing of costs between the employer and plan members.

In the October 1, 2010 actuarial valuation, the Projected Unit Credit actuarial cost method was used. The actuarial assumptions included a 4.5% investment rate of return (net of administrative expenses) and an annual healthcare cost trend rate of 10% initially, reduced by 1% per year to an ultimate rate of 5% after five years. Both rates include an inflation assumption of 3%. The unfunded actuarial accrued liability is being amortized as a level percentage of payroll over an open 30 year period.

**NOTE 20 - 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 21 - STATE AND FEDERAL GRANT CONTINGENCIES**

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 22 – RESTATEMENT OF PRIOR YEAR NET POSITION**

The City adopted GASB Statement No. 62 *Codification of Accounting and Financial Reporting Guidance contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (GASB 62), GASB Statement No. 63 *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63), and GASB Statement No. 65 *Items Previously Reported as Assets and Liabilities* (GASB 65) for the fiscal year ending September 30, 2012.

Implementation of GASB 62 did not have any financial reporting impact on the City for fiscal year ended September 30, 2012. Implementation of GASB 63 required the reclassification of Net Assets to Net Position and it also required reclassification of deferred outflows and deferred inflows into new categories called Deferred Outflows of Resources and Deferred Inflows of Resources.

Implementation of GASB 65 recognizes cost of issuance of bonds as an expense, therefore the adoption of this statement resulted in an increase to the cost of issuance expense and a

**City of St. Petersburg, FL**  
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**NOTE 22 – RESTATEMENT OF PRIOR YEAR NET POSITION – (Continued)**

decrease to the unamortized bond issuance costs and unamortized underwriters discount fee for fiscal year ended September 30, 2011. The prior year restatement for fiscal year ended September 30, 2011 decreased both the net position and unamortized issuance costs (bond issuance costs + underwriters discount fee) by \$3,838,769, \$196,415, and \$62,404 in the Water, Stormwater, and Marina Funds, respectively, and by \$457,489 in Governmental Activities.

As a result of implementing GASB 65, revenues previously recorded as deferred revenue in governmental funds until both measurable and available are reported as deferred inflows of resources until such time the revenue becomes available and debt refunding amounts previously recorded in enterprise funds as a contra-liability are reported as deferred outflows of resources until fully amortized over the life of the debt.

Advances from the General Fund to the Grants Fund and Airport Fund were recorded as transfers in prior years in accordance with transfer wording in the prior year's budgets. However, these transfer payments should be recorded as pay downs on advances that were approved between the funds. The City restated the fund balances and net position as of year ended September 30, 2011 to report these advances on the financial statements of the funds. To record the General Fund advance to the Grants Fund as discussed in Note 10 the General Fund Balance and Advance to Other Funds was increased by \$863,519 and the Grants Fund Balance and Advance From Other Funds was decreased by \$863,519 as of September 30, 2011. To record the General Fund advance to the Airport Fund as discussed in Note 10 the General Fund Balance and Advance to Other Funds was increased by \$2,957,067 and the Airport Net Position and Advance From Other Funds was decreased by \$2,957,067 as of September 30, 2011.

**NOTE 23 – SUBSEQUENT EVENT**

On January 15, 2013 the City executed \$41,925,000 in Florida Public Utility Revenue Bonds Series 2013A and \$43,500,000 in Florida Public Utility Refunding Revenue Bonds Series 2013B to decommission the Albert Whitted Reclamation Facility, for other improvement projects at the Northeast and Northwest Water Reclamation Facilities, and to refund a portion of the City's Public Utility Revenue Bonds.

The 2013A Series has serial bonds due through October 1, 2037 with interest rates varying between 3 to 4% and a term bond of \$19,840,000 due October 1, 2042 with 4% interest rate. The 2013B Series has serial bonds due through October 1, 2033 with interest rates varying between 2.5 to 4%, a term bond of \$975,000 with 3% interest due October 1, 2026, and a term bond of \$1,035,000 due October 1, 2028 with 3.25% interest. The bonds are secured by net revenue of the combined water, wastewater, reclaimed water and stormwater systems.



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# **REQUIRED SUPPLEMENTARY INFORMATION**



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**City of St Petersburg, FL**  
*Required Supplementary Information*  
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**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. Ten years of funding information and six 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	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratio (1)/(2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
10/01/11	\$276,011,117	\$355,368,876	\$79,357,759	77.7%	\$73,202,535	108.4%
10/01/10	278,691,684	345,049,252	66,357,568	80.8%	78,316,965	84.7%
10/01/09	274,136,384	334,450,236	60,313,852	82.0%	81,764,688	73.8%
10/01/08	270,745,862	272,870,680	2,124,818	99.2%	82,941,890	2.6%
10/01/07	260,805,618	265,596,801	4,791,183	98.2%	79,853,814	6.0%
10/01/06	223,141,776	242,039,796	18,898,020	92.2%	76,394,925	24.7%
10/01/05	203,725,230	223,660,071	19,934,841	91.1%	72,187,635	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%

EMPLOYEES' RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY

Valuation Date	Fiscal Year Ended (A)	Annual Pension Cost	Annual City and State Contribution	Total Percentage Contributed	Net Pension Obligation
10/01/10	9/30/12	12,428,680	12,428,680	100%	-
10/01/09	9/30/11	12,302,052	12,302,052	100%	-
10/01/08	9/30/10	12,102,928	12,102,928	100%	-
10/01/07	9/30/09	10,805,325	10,805,325	100%	-
10/01/06	9/30/08	11,828,152	11,828,152	100%	-
10/01/05	9/30/07	11,954,272	11,954,272	100%	-

(A) Funding for valuations occurs in the second fiscal year after the valuation date.

**City of St Petersburg, FL**  
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FIRE RETIREMENT SYSTEM  
 SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratio (1)/(2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
10/01/11	\$179,722,186	\$215,577,762	35,855,576	83.4%	\$14,514,009	247.0%
10/01/10	182,152,382	215,167,485	33,051,802	84.6%	15,948,831	207.0%
10/01/09	180,417,584	214,096,245	33,678,661	84.3%	16,613,368	202.7%
10/01/08	177,730,604	210,087,560	32,356,956	84.6%	16,975,952	190.6%
10/01/07	169,035,339	215,766,120	46,730,781	78.3%	15,646,253	298.7%
10/01/06	152,821,786	217,430,969	64,609,183	70.3%	16,121,136	400.8%
10/01/05	139,369,278	208,262,040	68,892,762	66.9%	15,824,974	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%

FIRE RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY

Valuation Date	Fiscal Year Ended (A)	Required Contribution Employer	Required Contribution State	Required Contribution Total	Actual Contribution Employer	Actual Contribution State	Total % Contributed	Net Pension Obligation
10/01/10	9/30/12	9,922,656	1,210,916	11,133,572	9,919,996	1,412,758	101.8	-
10/01/09	9/30/11	10,660,878	1,210,916	11,871,794	10,660,878	1,372,731	101.4	-
10/01/08	9/30/10	10,068,034	1,210,916	11,278,950	10,068,034	1,406,380	101.7	-
10/01/07	9/30/09	10,221,578	1,210,916	11,432,494	10,221,578	1,409,366	101.7	-
10/01/06	9/30/08	10,859,256	1,207,030	12,066,286	10,859,256	1,411,977	101.7	-
10/01/05	9/30/07	10,157,000	1,211,000	11,368,000	10,157,000	1,289,482	100.7	-

(A) Funding for valuations occurs in the second fiscal year after the valuation date.

**City of St Petersburg, FL**  
*Required Supplementary Information*  
 September 30, 2012

POLICE RETIREMENT SYSTEM  
 SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funded Ratio (1)/(2)	(5) Covered Payroll	(6) UAAL as % of Covered Payroll (3)/(5)
10/01/11	\$297,779,277	\$355,895,625	\$58,116,348	83.70%	\$30,746,601	189.0%
10/01/10	306,957,033	347,627,201	40,670,168	88.3%	31,746,536	128.1%
10/01/09	307,477,804	337,437,850	29,960,046	91.1%	33,890,712	88.4%
10/01/08	305,207,318	328,790,952	23,583,634	92.8%	31,988,348	73.7%
10/01/07	289,252,368	335,692,840	46,440,472	86.2%	30,789,619	150.8%
10/01/06	252,908,430	319,596,093	66,687,663	79.1%	30,265,843	220.3%
10/01/05	222,841,149	305,106,387	82,265,238	73.0%	29,244,546	281.3%
10/01/04	204,414,000	286,678,000	82,264,000	71.3%	26,478,000	310.7%
10/01/03	194,010,000	275,096,000	81,086,000	70.5%	24,900,000	325.6%
10/01/02	188,105,000	246,888,000	58,783,000	76.2%	22,417,000	262.2%

POLICE RETIREMENT SYSTEM  
 SCHEDULE OF CONTRIBUTIONS FOR EMPLOYER AND OTHER CONTRIBUTING ENTITY

Valuation Date	Fiscal Year Ended (B)	Required Contribution Employer	Required Contribution State	Total Required Contribution	Actual Contribution Employer	Actual Contribution State	Actual Contribution Total	Total % Contributed	Net Pension Obligation (C)
10/01/10	9/30/12	10,545,563	1,650,834	12,196,397	10,589,728	1,631,958	12,221,686	100.2	-
10/01/09	9/30/11	11,475,740	1,650,834	13,126,574	11,475,740	1,606,669	13,082,409	99.7	\$ 44,165
10/01/08	9/30/10	10,205,894	1,650,834	11,856,728	10,250,894	1,712,441	11,963,335	100.9	-
10/01/07	9/30/09	10,843,249	1,629,569	12,472,818	10,843,261	1,768,261	12,611,522	101.1	-
10/01/06	9/30/08	13,022,553	1,489,149	14,511,702	13,022,553	1,680,247	14,702,800	101.3	-
10/01/05	9/30/07	12,895,000	1,489,000	14,384,000	12,895,000	1,714,181	14,609,181	101.6	-

(B) Funding for valuations occurs in the second fiscal year after the valuation date.

(C) The pension obligation for fiscal year 2011 was deposited in fiscal year 2012.

**City of St Petersburg, FL**  
*Required Supplementary Information*  
 September 30, 2012

**DEFINED BENEFIT OTHER POST EMPLOYMENT BENEFITS (OPEB) PLAN**

Available funding information and contribution amounts are presented in the schedules which follow for other post employment benefits (OPEB).

OTHER POST EMPLOYMENT BENEFITS  
 SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UFAAL as % of Covered Payroll (b-a)/c
10/1/2010	\$ 0	\$ 177,387,000	\$ 177,387,000	0%	N/A	N/A
10/1/2008	0	166,670,000	166,670,000	0%	N/A	N/A

OTHER POST EMPLOYMENT BENEFITS  
 ANNUAL REQUIRED CONTRIBUTION SCHEDULE

Fiscal Year Ended	Annual Required Contribution (ARC)	Annual Contribution	Percentage of ARC Contributed
9/30/2012	\$ 13,413,000	\$ 6,274,000	46.5%
9/30/2011	13,154,000	5,471,000	41.3%
9/30/2010	12,455,000	6,187,000	49.4%

# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**



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## **City of St. Petersburg, Florida**

### **Non-Major Governmental Funds**

#### **Special Revenue Funds**

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

**Weeki Wachee** - This fund is used to account for the proceeds of the sale of the City's property in Weeki Wachee Springs, Florida. The proceeds of the sale and earnings on the invested balance are to be used for parks, recreation, beautification, and preservation.

**Professional Sports Facility Sales Tax** - This fund is used to account for revenue from the State of Florida Sales or Use Tax and may be used for the public purpose for paying for the acquisition, construction, reconstruction, or renovation of a facility for a new professional sports franchise, or retaining a professional sports franchise.

**Building Permit** - This fund is used to account for the revenue generated from construction permits and the related operating and capital expenditures.

**Local Law Enforcement Trust** - This fund is used to account for revenue received under the Florida Contraband Forfeiture Statute and the Federal Equitable Sharing of Assets Forfeitures and is used for law enforcement purposes.

**Emergency Medical Services** - This fund is used to account for revenue received under a provider contract with Pinellas County for the provision of emergency medical care to the city and surrounding areas.

**Local Housing Assistance Trust** - This fund is used to account for revenue received under the State Housing Initiatives Partnership Program (SHIP) and is used for expenditures allowed under the program.

**Community Housing Trust** - This fund is used to account for revenue received under the Community Housing Trust Fund Program administered by Pinellas County, Florida and is used for expenditures allowed under the program.

**American Recovery & Rehabilitation Act** - This fund is used to account for revenue received under the American Recovery & Rehabilitation Act (ARRA) and is used for expenditures allowed under the program. These expenditures includes such things as sidewalk improvements and mast arms in low to moderate income housing areas and reimbursement of housing related expenses to help the homeless.

**School Crossing Guard Fund** - This fund is used to account for revenue received under the Florida Disposition of Traffic Infractions Statute for that portion to be used to fund a school crossing guard program.

## **City of St. Petersburg, Florida**

Police Grants Fund - This fund is used to account for revenue received under the Edward Byrne Memorial Justice Assistance Grant Program and is used for expenditures allowed under the program.

Police Officers Training Fund - This fund is used to account for revenue received under the Florida Disposition of Traffic Infractions Statute for that portion to be used to fund police training programs.

Donations Funds - This fund is used to account for the revenue received as donations by various citizens and organizations that are restricted to a specified purpose.

### **Debt Service Funds**

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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.

Excise Tax – This fund is used to account for principal and interest on the City's Excise Tax Revenue Bonds and these are secured by a pledge of the City's guaranteed entitlement of municipal revenue sharing and tourist development taxes.

Professional Sports Facility Sales Tax Revenue Bonds - This fund is used to account for principal and interest on the City's Professional Sports Facilities Sales Tax Revenue Bonds which were used to fund modifications to Tropicana Field.

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

Bank of America - This fund is used to account for principal and interest on the City's Bank of America Public Capital Corp. and Bank of America, N.A. loans.

BB and T - This fund is used to account for principal and interest on the City's BB & T Corp. loan.

JP Morgan Chase - This fund is used to account for principal and interest on the City's JP Morgan Chase loan.

### **Capital Project Funds**

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

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

## **City of St. Petersburg, Florida**

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 included in assessments revenue.

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.

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 the annual cash awards to one fire rescue and one emergency medical service employee chosen by an internal fire department committee.

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

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
**Nonmajor Governmental Funds**  
*September 30, 2012*

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Permanent</u>	<u>Capital Projects</u>	<u>Total Nonmajor Governmental Funds</u>
<b>Assets</b>					
Cash and Cash Equivalents	\$ 5,970,945	\$ 2,857,251	\$ 277,657	\$ 7,486,745	\$ 16,592,598
Investments	16,300,593	14,677,395	117,909	18,518,019	49,613,916
Receivables:					
Accounts	1,216,296	-	-	39,395	1,255,691
Accrued Interest	5,200	67,677	-	87,958	160,835
Notes	6,504,166	-	-	206,225	6,710,391
Due from Other Governmental Agencies:					
Grants and Cost Reimbursement	64,107	-	-	2,609,080	2,673,187
Pinellas County - Shared Revenue	-	936,441	-	-	936,441
Pinellas County - Services	7,601	-	-	-	7,601
Prepaid Costs and Deposits	8,564	-	-	-	8,564
<b>Total assets</b>	<u>\$ 30,077,472</u>	<u>\$ 18,538,764</u>	<u>\$ 395,566</u>	<u>\$ 28,947,422</u>	<u>\$ 77,959,224</u>
<b>Liabilities, deferred inflows of resources and fund balances</b>					
<b>Liabilities</b>					
Vouchers and Accounts Payable	\$ 138,063	\$ -	\$ -	\$ 1,216,994	\$ 1,355,057
Accrued Salaries	247,443	-	-	59	247,502
Retainage on Contracts	-	-	-	315,190	315,190
Due to Other Governmental Agencies	67	-	-	422,661	422,728
Due to Other Funds	81,569	-	-	264,536	346,105
Escrow	280	-	-	1	281
Other Deposits	314,104	-	-	-	314,104
Advances from Enterprise Fund	-	8,995,565	-	-	8,995,565
<b>Total liabilities</b>	<u>781,526</u>	<u>8,995,565</u>	<u>-</u>	<u>2,219,441</u>	<u>11,996,532</u>
<b>Deferred inflows of resources</b>					
Deferred inflows from notes receivable	6,504,166	-	-	206,225	6,710,391
Deferred inflows from future revenues	142,020	-	-	39,024	181,044
Deferred inflows from advanced funding from federal and state grant agencies	96	-	-	140	236
<b>Total deferred inflows of resources</b>	<u>6,646,282</u>	<u>-</u>	<u>-</u>	<u>245,389</u>	<u>6,891,671</u>
<b>Fund balances</b>					
Non Spendable	8,564	-	365,626	-	374,190
Restricted	14,600,800	9,543,199	29,940	-	24,173,939
Committed	8,059,931	-	-	3,285,558	11,345,489
Assigned	-	-	-	23,197,034	23,197,034
Unassigned	(19,631)	-	-	-	(19,631)
<b>Total fund balances</b>	<u>22,649,664</u>	<u>9,543,199</u>	<u>395,566</u>	<u>26,482,592</u>	<u>59,071,021</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 30,077,472</u>	<u>\$ 18,538,764</u>	<u>\$ 395,566</u>	<u>\$ 28,947,422</u>	<u>\$ 77,959,224</u>

See accompanying Independent Auditor's Report.

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Fiscal Year Ended September 30, 2012*

	Special Revenue	Debt Service	Permanent	Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>					
Licenses and Permits	\$ 3,429,656	\$ -	\$ -	\$ -	\$ 3,429,656
Fines and Forfeitures	806,203	-	-	-	806,203
Charges for Services and User Fees	13,173,132	-	-	-	13,173,132
Intergovernmental Revenues:					
Federal, State and Other Grants	602,772	-	-	7,133,883	7,736,655
State - Sales Tax	2,000,004	-	-	-	2,000,004
State - Revenue Sharing	-	2,609,011	-	-	2,609,011
State - Other	24,040	-	-	-	24,040
Pinellas County - Tourist Development	-	5,864,763	-	-	5,864,763
Total	2,626,816	8,473,774	-	7,133,883	18,234,473
Use of Money and Property:					
Earnings on Investments	2,470,922	138,539	19,958	286,207	2,915,626
Total	2,470,922	138,539	19,958	286,207	2,915,626
Miscellaneous Revenue:					
Contributions	338,323	-	1,000	-	339,323
Assessments	-	-	-	539,198	539,198
Dispositions of Property	80,489	-	-	5,000	85,489
Other	240,265	-	-	83,053	323,318
Total	659,077	-	1,000	627,251	1,287,328
<b>Total revenues</b>	<b>23,165,806</b>	<b>8,612,313</b>	<b>20,958</b>	<b>8,047,341</b>	<b>39,846,418</b>
<b>Expenditures</b>					
Current Operations:					
General Government	38,133	-	50	25,097	63,280
Community and Economic Development	3,375,896	-	-	483,704	3,859,600
Public Works	11,429	-	-	5,644,809	5,656,238
Police	1,153,005	-	-	47,521	1,200,526
Fire and EMS	12,290,322	-	2,001	-	12,292,323
Recreation and Culture	1,331,518	-	-	245,303	1,576,821
Debt Service:					
Principal Payments	-	38,675,000	-	-	38,675,000
Interest Payments	-	4,066,808	-	-	4,066,808
Remarketing and Other Fees	-	62,259	-	-	62,259
Capital Outlay	514,845	-	-	6,259,021	6,773,866
<b>Total expenditures</b>	<b>18,715,148</b>	<b>42,804,067</b>	<b>2,051</b>	<b>12,705,455</b>	<b>74,226,721</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>4,450,658</b>	<b>(34,191,754)</b>	<b>18,907</b>	<b>(4,658,114)</b>	<b>(34,380,303)</b>
<b>Other financing sources (uses)</b>					
Transfers in	51	33,999,122	-	1,862,950	35,862,123
Transfers out	(2,949,473)	(21,962,952)	(51)	-	(24,912,476)
Issuance of Refunding Debt	-	21,522,000	-	-	21,522,000
<b>Total other financing sources     (uses)</b>	<b>(2,949,422)</b>	<b>33,558,170</b>	<b>(51)</b>	<b>1,862,950</b>	<b>32,471,647</b>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<b>1,501,236</b>	<b>(633,584)</b>	<b>18,856</b>	<b>(2,795,164)</b>	<b>(1,908,656)</b>
<b>Fund balances - October 1 (Restated)</b>	<b>21,148,428</b>	<b>10,176,783</b>	<b>376,710</b>	<b>29,277,756</b>	<b>60,979,677</b>
<b>Fund balances - September 30</b>	<b>\$ 22,649,664</b>	<b>\$ 9,543,199</b>	<b>\$ 395,566</b>	<b>\$ 26,482,592</b>	<b>\$ 59,071,021</b>

See accompanying Independent Auditor's Report.

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Special Revenue Funds*  
*September 30, 2012*

	<u>Weeki Wachee</u>	<u>Professional Sports Facility Sales Tax</u>	<u>Building Permit</u>	<u>Local Law Enforcement Trust</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 1,427,249	\$ 13,835	\$ 1,516,433	\$ 1,360,100
Investments	15,270,915	-	16,695	-
Receivables:				
Accounts	-	-	965	-
Accrued Interest	-	-	-	-
Notes	-	-	-	-
Due from Other Governmental Agencies:				
Grants and Cost Reimbursement	-	-	-	-
Pinellas County - Services	-	-	-	-
Prepaid Costs and Deposits	-	-	-	8,249
<b>Total assets</b>	<u>\$ 16,698,164</u>	<u>\$ 13,835</u>	<u>\$ 1,534,093</u>	<u>\$ 1,368,349</u>
<b>Liabilities, deferred inflows from resources and fund balances</b>				
<b>Liabilities</b>				
Vouchers and Accounts Payable	\$ -	\$ -	\$ 2,474	\$ 48,337
Accrued Salaries	-	-	48,979	-
Due to Other Governmental Agencies	-	-	-	-
Due to Other Funds	-	-	-	-
Escrow	-	-	-	-
Other Deposits	-	-	114,129	199,975
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>165,582</u>	<u>248,312</u>
<b>Deferred inflows of resources</b>				
Deferred inflows from notes receivable	-	-	-	-
Deferred inflows from future revenues	-	-	965	-
Deferred inflows from advanced funding from federal and state grant agencies	-	-	-	-
<b>Total deferred inflows from resources</b>	<u>-</u>	<u>-</u>	<u>965</u>	<u>-</u>
<b>Fund balances</b>				
Non Spendable	-	-	-	8,249
Restricted	8,638,233	13,835	1,367,546	1,111,788
Committed	8,059,931	-	-	-
Unassigned	-	-	-	-
<b>Total fund balances</b>	<u>16,698,164</u>	<u>13,835</u>	<u>1,367,546</u>	<u>1,120,037</u>
<b>Total liabilities, deferred inflows from resources and fund balances</b>	<u>\$ 16,698,164</u>	<u>\$ 13,835</u>	<u>\$ 1,534,093</u>	<u>\$ 1,368,349</u>

See accompanying Independent Auditor's Report.

<b>Emergency Medical Services</b>	<b>Local Housing Assistance Trust</b>	<b>Community Housing Trust</b>	<b>American Recovery And Rehabilitation Act</b>	<b>School Crossing Guard Fund</b>	<b>Police Grants Funds</b>
\$ 488,941	\$ 357,000	\$ 262,994	\$ 23	\$ 280	\$ -
-	848,403	50,086	-	-	-
1,049,392	135,403	-	-	26,593	-
-	5,200	-	-	-	-
-	3,867,486	2,636,680	-	-	-
-	-	-	-	-	64,107
7,601	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,545,934</u>	<u>\$ 5,213,492</u>	<u>\$ 2,949,760</u>	<u>\$ 23</u>	<u>\$ 26,873</u>	<u>\$ 64,107</u>
\$ 16,892	\$ 29,639	\$ 14,000	\$ -	\$ 8	\$ 2,073
198,464	-	-	-	-	-
-	67	-	-	-	-
-	-	-	-	-	81,569
-	280	-	-	-	-
-	-	-	-	-	-
<u>215,356</u>	<u>29,986</u>	<u>14,000</u>	<u>-</u>	<u>8</u>	<u>83,642</u>
-	3,867,486	2,636,680	-	-	-
7,397	133,303	-	-	-	-
-	-	-	-	-	96
<u>7,397</u>	<u>4,000,789</u>	<u>2,636,680</u>	<u>-</u>	<u>-</u>	<u>96</u>
-	-	-	-	-	-
1,323,181	1,182,717	299,080	23	26,865	-
-	-	-	-	-	-
-	-	-	-	-	(19,631)
<u>1,323,181</u>	<u>1,182,717</u>	<u>299,080</u>	<u>23</u>	<u>26,865</u>	<u>(19,631)</u>
<u>\$ 1,545,934</u>	<u>\$ 5,213,492</u>	<u>\$ 2,949,760</u>	<u>\$ 23</u>	<u>\$ 26,873</u>	<u>\$ 64,107</u>

(Continued)

**City of St. Petersburg, Florida**  
*Combining Balance Sheet - Continued*  
**Nonmajor Governmental Funds**  
*Special Revenue Funds*  
 September 30, 2012

	<u>Police Officers Training</u>	<u>Donation Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 108,642	\$ 435,448	\$ 5,970,945
Investments	-	114,494	16,300,593
Receivables:			
Accounts	3,578	365	1,216,296
Accrued Interest	-	-	5,200
Notes	-	-	6,504,166
Due from Other Governmental Agencies:			
Grants and Cost Reimbursement	-	-	64,107
Pinellas County - Services	-	-	7,601
Prepaid Costs and Deposits	315	-	8,564
<b>Total assets</b>	<u>\$ 112,535</u>	<u>\$ 550,307</u>	<u>\$ 30,077,472</u>
<b>Liabilities, deferred inflows from resources and fund balances</b>			
<b>Liabilities</b>			
Vouchers and Accounts Payable	\$ 1,421	\$ 23,219	\$ 138,063
Accrued Salaries	-	-	247,443
Due to Other Governmental Agencies	-	-	67
Due to Other Funds	-	-	81,569
Escrow	-	-	280
Other Deposits	-	-	314,104
<b>Total liabilities</b>	<u>1,421</u>	<u>23,219</u>	<u>781,526</u>
<b>Deferred inflows of resources</b>			
Deferred inflows from notes receivable	-	-	6,504,166
Deferred inflows from future revenues	-	355	142,020
Deferred inflows from advanced funding from federal and state grant agencies	-	-	96
<b>Total deferred inflows from resources</b>	<u>-</u>	<u>355</u>	<u>6,646,282</u>
<b>Fund balances</b>			
Non Spendable	315	-	8,564
Restricted	110,799	526,733	14,600,800
Committed	-	-	8,059,931
Unassigned	-	-	(19,631)
<b>Total fund balances</b>	<u>111,114</u>	<u>526,733</u>	<u>22,649,664</u>
<b>Total liabilities, deferred inflows from resources and fund balances</b>	<u>\$ 112,535</u>	<u>\$ 550,307</u>	<u>\$ 30,077,472</u>

See accompanying Independent Auditor's Report.



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**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, 2012*

	<u>Weeki Wachee</u>	<u>Professional Sports Facility Sales Tax</u>	<u>Building Permit</u>	<u>Local Law Enforcement Trust</u>
<b>Revenues</b>				
Licenses and Permits	\$ -	\$ -	\$ 3,429,656	\$ -
Fines and Forfeitures	-	-	-	416,846
Charges for Services and User Fees	-	-	710,707	-
Intergovernmental Revenues:				
Federal, State and Other Grants	-	-	-	-
State - Sales Tax	-	2,000,004	-	-
State - Other	-	-	-	-
Total	-	2,000,004	-	-
Use of Money and Property				
Earnings on Investments	2,395,640	1	4,608	3,815
Total	2,395,640	1	4,608	3,815
Miscellaneous Revenue:				
Contributions	-	-	-	-
Dispositions of Property	-	-	-	-
Other	-	-	9,534	-
Total	-	-	9,534	-
<b>Total revenues</b>	<u>2,395,640</u>	<u>2,000,005</u>	<u>4,154,505</u>	<u>420,661</u>
<b>Expenditures</b>				
Current Operations:				
General Government	37,311	-	-	-
Community and Economic Development	-	-	3,306,618	-
Public Works	-	-	-	-
Police	-	-	-	528,051
Fire and EMS	-	-	-	-
Recreation and Culture	-	-	-	-
Capital Outlay	-	-	-	233,834
<b>Total expenditures</b>	<u>37,311</u>	<u>-</u>	<u>3,306,618</u>	<u>761,885</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>2,358,329</u>	<u>2,000,005</u>	<u>847,887</u>	<u>(341,224)</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	-	-
Transfers out	(571,652)	(2,000,004)	-	-
<b>Total other financing sources (uses)</b>	<u>(571,652)</u>	<u>(2,000,004)</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>1,786,677</u>	<u>1</u>	<u>847,887</u>	<u>(341,224)</u>
<b>Fund balances - October 1 (Restated)</b>	<u>14,911,487</u>	<u>13,834</u>	<u>519,659</u>	<u>1,461,261</u>
<b>Fund balances - September 30</b>	<u>\$ 16,698,164</u>	<u>\$ 13,835</u>	<u>\$ 1,367,546</u>	<u>\$ 1,120,037</u>

See accompanying Independent Auditor's Report.

<b>Emergency Medical Services</b>	<b>Local Housing Assistance Trust</b>	<b>Community Housing Trust</b>	<b>American Recovery And Rehabilitation Act</b>	<b>School Crossing Guard Fund</b>	<b>Police Grants Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	338,992	-
12,455,430	-	-	-	-	-
6,069	-	-	54,359	-	542,344
-	-	-	-	-	-
24,040	-	-	-	-	-
30,109	-	-	54,359	-	542,344
-	54,268	(3,159)	23	1	77
-	54,268	(3,159)	23	1	77
-	-	-	-	-	-
80,489	-	-	-	-	-
21,209	209,362	-	-	-	-
101,698	209,362	-	-	-	-
12,587,237	263,630	(3,159)	54,382	338,993	542,421
-	-	-	-	-	-
-	-	-	-	85	-
-	-	-	11,429	-	-
-	-	-	-	-	562,893
12,285,524	-	-	-	-	-
-	935,382	65,591	20,289	-	-
244,436	-	-	22,641	-	-
12,529,960	935,382	65,591	54,359	85	562,893
57,277	(671,752)	(68,750)	23	338,908	(20,472)
-	-	-	-	-	-
(20,600)	-	-	-	(357,217)	-
(20,600)	-	-	-	(357,217)	-
36,677	(671,752)	(68,750)	23	(18,309)	(20,472)
1,286,504	1,854,469	367,830	-	45,174	841
<u>\$ 1,323,181</u>	<u>\$ 1,182,717</u>	<u>\$ 299,080</u>	<u>\$ 23</u>	<u>\$ 26,865</u>	<u>\$ (19,631)</u>

(Continued)

**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, 2012**

	<u>Police Officers Training</u>	<u>Donation Funds</u>	<u>Total Nonmajor Special Revenue Funds</u>
<b>Revenues</b>			
Licenses and Permits	\$ -	\$ -	\$ 3,429,656
Fines and Forfeitures	50,365	-	806,203
Charges for Services and User Fees	-	6,995	13,173,132
Intergovernmental Revenues:			
Federal, State and Other Grants	-	-	602,772
State - Sales Tax	-	-	2,000,004
State - Other	-	-	24,040
Total	-	-	2,626,816
Use of Money and Property			
Earnings on Investments	26	15,622	2,470,922
Total	26	15,622	2,470,922
Miscellaneous Revenue:			
Contributions	-	338,323	338,323
Dispositions of Property	-	-	80,489
Other	160	-	240,265
Total	160	338,323	659,077
<b>Total revenues</b>	<u>50,551</u>	<u>360,940</u>	<u>23,165,806</u>
<b>Expenditures</b>			
Current Operations:			
General Government	-	822	38,133
Community and Economic Development	-	69,193	3,375,896
Public Works	-	-	11,429
Police	62,061	-	1,153,005
Fire and EMS	-	4,798	12,290,322
Recreation and Culture	-	310,256	1,331,518
Capital Outlay	-	13,934	514,845
<b>Total expenditures</b>	<u>62,061</u>	<u>399,003</u>	<u>18,715,148</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(11,510)</u>	<u>(38,063)</u>	<u>4,450,658</u>
<b>Other financing sources (uses)</b>			
Transfers in	-	51	51
Transfers out	-	-	(2,949,473)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>51</u>	<u>(2,949,422)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(11,510)</u>	<u>(38,012)</u>	<u>1,501,236</u>
<b>Fund balances - October 1 (Restated)</b>	<u>122,624</u>	<u>564,745</u>	<u>21,148,428</u>
<b>Fund balances - September 30</b>	<u>\$ 111,114</u>	<u>\$ 526,733</u>	<u>\$ 22,649,664</u>

See accompanying Independent Auditor's Report.



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**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Debt Service Funds*  
*September 30, 2012*

	<b>Public Improvement</b>	<b>Excise Tax</b>	<b>Professional Sports Facility Sales Tax</b>
<b>Assets</b>			
Cash and Cash Equivalents	\$ -	\$ 1,102,993	\$ 1,507,262
Investments	-	14,677,395	-
Receivables:			
Accrued Interest	-	67,677	-
Due from Other Governmental Agencies:			
Pinellas County - Shared Revenue	-	936,441	-
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 16,784,506</b>	<b>\$ 1,507,262</b>
<b>Liabilities and fund balances</b>			
<b>Liabilities</b>			
Advances from Enterprise Fund	\$ -	\$ 8,995,565	\$ -
<b>Total liabilities</b>	-	8,995,565	-
<b>Fund balances</b>			
Restricted	-	7,788,941	1,507,262
<b>Total fund balances</b>	-	7,788,941	1,507,262
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 16,784,506</b>	<b>\$ 1,507,262</b>

See accompanying Independent Auditor's Report.

<u>First Florida</u>	<u>BB and T Notes</u>	<u>Bank Of America</u>	<u>JP Morgan Chase</u>	<u>Total Nonmajor Debt Service Funds</u>
\$ -	\$ -	\$ -	\$ 246,996	\$ 2,857,251
-	-	-	-	14,677,395
-	-	-	-	67,677
-	-	-	-	936,441
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,996</u>	<u>\$ 18,538,764</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,995,565
-	-	-	-	8,995,565
-	-	-	246,996	9,543,199
-	-	-	246,996	9,543,199
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 246,996</u>	<u>\$ 18,538,764</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, 2012*

	<b>Public Improvement</b>	<b>Excise Tax</b>	<b>Professional Sports Facility Sales Tax</b>
<b>Revenues</b>			
State - Revenue Sharing	\$ -	\$ 2,609,011	\$ -
Pinellas County - Tourist Development	-	5,864,763	-
Earnings on Investments	-	138,270	181
<b>Total revenues</b>	<u>-</u>	<u>8,612,044</u>	<u>181</u>
<b>Expenditures</b>			
Debt Service:			
Principal Payments	6,540,000	6,685,000	1,050,000
Interest Payments	163,500	1,690,018	861,588
Remarketing and Other Fees	-	550	540
<b>Total expenditures</b>	<u>6,703,500</u>	<u>8,375,568</u>	<u>1,912,128</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,703,500)</u>	<u>236,476</u>	<u>(1,911,947)</u>
<b>Other financing sources (uses)</b>			
Transfers in	6,703,500	-	1,929,884
Transfers out	-	(63,614)	-
Issuance of Refunding Debt	-	-	-
<b>Total other financing sources (uses)</b>	<u>6,703,500</u>	<u>(63,614)</u>	<u>1,929,884</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>172,862</u>	<u>17,937</u>
<b>Fund balances - October 1 (Restated)</b>	<u>-</u>	<u>7,616,079</u>	<u>1,489,325</u>
<b>Fund balances - September 30</b>	<u>\$ -</u>	<u>\$ 7,788,941</u>	<u>\$ 1,507,262</u>

See accompanying Independent Auditor's Report.

<b>First Florida</b>	<b>BB and T Notes</b>	<b>Bank Of America</b>	<b>JP Morgan Chase</b>	<b>Total Nonmajor Debt Service Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 2,609,011
-	-	-	-	5,864,763
9	-	79	-	138,539
9	-	79	-	8,612,313
2,075,000	555,000	21,592,000	178,000	38,675,000
621,850	87,396	375,818	266,638	4,066,808
9,941	-	-	51,228	62,259
2,706,791	642,396	21,967,818	495,866	42,804,067
(2,706,782)	(642,396)	(21,967,739)	(495,866)	(34,191,754)
2,706,782	40,840	21,926,482	691,634	33,999,122
-	-	(428,566)	(21,470,772)	(21,962,952)
-	-	-	21,522,000	21,522,000
2,706,782	40,840	21,497,916	742,862	33,558,170
-	(601,556)	(469,823)	246,996	(633,584)
-	601,556	469,823	-	10,176,783
\$ -	\$ -	\$ -	\$ 246,996	\$ 9,543,199

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Capital Projects Funds*  
*September 30, 2012*

	<u>General Capital Improvement</u>	<u>Housing Capital Improvement</u>	<u>Transportation Improvement</u>
<b>Assets</b>			
Cash and Cash Equivalents	\$ 2,498,022	\$ 160,241	\$ 4,642,638
Investments	1,562,470	500,605	14,479,944
Receivables:			
Accounts	-	39,395	-
Accrued Interest	-	1,681	86,074
Notes	-	206,225	-
Due from Other Governmental Agencies:			
Grants and Cost Reimbursement	2,570,165	-	38,915
<b>Total assets</b>	<u>\$ 6,630,657</u>	<u>\$ 908,147</u>	<u>\$ 19,247,571</u>
<b>Liabilities, deferred inflows from resources and fund balances</b>			
<b>Liabilities</b>			
Vouchers and Accounts Payable	\$ 933,919	\$ 250	\$ 281,081
Accrued Salaries	-	59	-
Retainage on Contracts	268,349	-	46,341
Due to Other Governmental Agencies	-	-	422,661
Due to Other Funds	264,536	-	-
Escrow	-	1	-
<b>Total liabilities</b>	<u>1,466,804</u>	<u>310</u>	<u>750,083</u>
<b>Deferred inflows from resources</b>			
Deferred inflows from notes receivable	-	206,225	-
Deferred inflows from future revenues	-	39,024	-
Deferred inflows from advanced funding	140	-	-
<b>Total deferred inflows from resources</b>	<u>140</u>	<u>245,249</u>	<u>-</u>
<b>Fund balances</b>			
Committed	1,522,531	-	1,696,857
Assigned	3,641,182	662,588	16,800,631
<b>Total fund balances</b>	<u>5,163,713</u>	<u>662,588</u>	<u>18,497,488</u>
<b>Total liabilities, deferred inflows from resources and fund balances</b>	<u>\$ 6,630,657</u>	<u>\$ 908,147</u>	<u>\$ 19,247,571</u>

See accompanying Independent Auditor's Report.

<b>Downtown Parking Garage</b>	<b>Weeki Wachee</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ 65,087	\$ 120,757	\$ 7,486,745
-	1,975,000	18,518,019
-	-	39,395
-	203	87,958
-	-	206,225
-	-	2,609,080
<u>\$ 65,087</u>	<u>\$ 2,095,960</u>	<u>\$ 28,947,422</u>
\$ -	\$ 1,744	\$ 1,216,994
-	-	59
500	-	315,190
-	-	422,661
-	-	264,536
-	-	1
<u>500</u>	<u>1,744</u>	<u>2,219,441</u>
-	-	206,225
-	-	39,024
-	-	140
-	-	245,389
18,901	47,269	3,285,558
45,686	2,046,947	23,197,034
<u>64,587</u>	<u>2,094,216</u>	<u>26,482,592</u>
<u>\$ 65,087</u>	<u>\$ 2,095,960</u>	<u>\$ 28,947,422</u>

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Capital Projects Funds*  
*Fiscal Year Ended September 30, 2012*

	<u>General Capital Improvement</u>	<u>Housing Capital Improvement</u>	<u>Transportation Improvement</u>
<b>Revenues</b>			
Intergovernmental Revenue:			
Federal, State and Other Grants	\$ 7,133,883	\$ -	\$ -
Total	<u>7,133,883</u>	<u>-</u>	<u>-</u>
Use of Money and Property:			
Earnings on Investments	7,760	4,626	271,673
Total	<u>7,760</u>	<u>4,626</u>	<u>271,673</u>
Miscellaneous Revenue:			
Assessments	-	-	539,198
Dispositions of Property	-	5,000	-
Other	65,365	17,688	-
Total	<u>65,365</u>	<u>22,688</u>	<u>539,198</u>
<b>Total revenues</b>	<u>7,207,008</u>	<u>27,314</u>	<u>810,871</u>
<b>Expenditures</b>			
Current Operations:			
General Government	-	25,097	-
Community and Economic Development	364,053	-	116,331
Public Works	5,047,853	-	508,920
Police	47,521	-	-
Recreation and Culture	87,291	158,012	-
Capital Outlay	5,175,985	-	897,075
<b>Total expenditures</b>	<u>10,722,703</u>	<u>183,109</u>	<u>1,522,326</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(3,515,695)</u>	<u>(155,795)</u>	<u>(711,455)</u>
<b>Other financing sources (uses)</b>			
Transfers in	1,321,900	-	-
<b>Total other financing sources (uses)</b>	<u>1,321,900</u>	<u>-</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(2,193,795)</u>	<u>(155,795)</u>	<u>(711,455)</u>
<b>Fund balances - October 1 (Restated)</b>	<u>7,357,508</u>	<u>818,383</u>	<u>19,208,943</u>
<b>Fund balances - September 30</b>	<u>\$ 5,163,713</u>	<u>\$ 662,588</u>	<u>\$ 18,497,488</u>

See accompanying Independent Auditor's Report.

<b>Downtown Parking Garage</b>	<b>Weeki Wachee</b>	<b>Total Nonmajor Capital Projects Funds</b>
\$ -	\$ -	\$ 7,133,883
-	-	7,133,883
40	2,108	286,207
40	2,108	286,207
-	-	539,198
-	-	5,000
-	-	83,053
-	-	627,251
40	2,108	8,047,341
-	-	25,097
3,320	-	483,704
6,178	81,858	5,644,809
-	-	47,521
-	-	245,303
144,882	41,079	6,259,021
154,380	122,937	12,705,455
(154,340)	(120,829)	(4,658,114)
-	541,050	1,862,950
-	541,050	1,862,950
(154,340)	420,221	(2,795,164)
218,927	1,673,995	29,277,756
<u>\$ 64,587</u>	<u>\$ 2,094,216</u>	<u>\$ 26,482,592</u>

**City of St. Petersburg, Florida**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*Permanent Funds*  
*September 30, 2012*

	<u>Kopsick Palm Arboretum Trust</u>	<u>Fire Rescue and EMS Awards</u>	<u>Library Trust</u>	<u>Total Nonmajor Permanent Funds</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 9,500	\$ 29,940	\$ 238,217	\$ 277,657
Investments	117,909	-	-	117,909
<b>Total assets</b>	<u>\$ 127,409</u>	<u>\$ 29,940</u>	<u>\$ 238,217</u>	<u>\$ 395,566</u>
<b>Liabilities and fund balances</b>				
<b>Fund balances</b>				
Non Spendable	\$ 127,409	\$ -	\$ 238,217	\$ 365,626
Restricted	-	29,940	-	29,940
<b>Total fund balances</b>	<u>127,409</u>	<u>29,940</u>	<u>238,217</u>	<u>395,566</u>
<b>Total liabilities and fund balances</b>	<u>\$ 127,409</u>	<u>\$ 29,940</u>	<u>\$ 238,217</u>	<u>\$ 395,566</u>

See accompanying Independent Auditor's Report.

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*Permanent Funds*  
*Fiscal Year Ended September 30, 2012*

	<b>Kopsick Palm Arboretum Trust</b>	<b>Fire Rescue and EMS Awards</b>	<b>Library Trust</b>	<b>Total Nonmajor Permanent Funds</b>
<b>Revenues</b>				
Earnings on Investments	\$ 19,904	\$ 6	\$ 48	\$ 19,958
Contributions	-	1,000	-	1,000
<b>Total revenues</b>	<u>19,904</u>	<u>1,006</u>	<u>48</u>	<u>20,958</u>
<b>Expenditures</b>				
Current Operations:				
General Government	50	-	-	50
Fire and EMS	-	2,001	-	2,001
<b>Total expenditures</b>	<u>50</u>	<u>2,001</u>	<u>-</u>	<u>2,051</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>19,854</u>	<u>(995)</u>	<u>48</u>	<u>18,907</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	(51)	(51)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(51)</u>	<u>(51)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>19,854</u>	<u>(995)</u>	<u>(3)</u>	<u>18,856</u>
<b>Fund balances - October 1 (Restated)</b>	<u>107,555</u>	<u>30,935</u>	<u>238,220</u>	<u>376,710</u>
<b>Fund balances - September 30</b>	<u>\$ 127,409</u>	<u>\$ 29,940</u>	<u>\$ 238,217</u>	<u>\$ 395,566</u>

See accompanying Independent Auditor's Report.



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**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Weeki Wachee*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ 119,160	\$ 119,160	\$ 244,648	\$ 125,488
<b>Total revenues</b>	<u>119,160</u>	<u>119,160</u>	<u>244,648</u>	<u>125,488</u>
<b>Expenditures</b>				
Current Operations:				
General Government	80,000	80,000	37,311	42,689
<b>Total expenditures</b>	<u>80,000</u>	<u>80,000</u>	<u>37,311</u>	<u>42,689</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>39,160</u>	<u>39,160</u>	<u>207,337</u>	<u>168,177</u>
<b>Other financing sources (uses)</b>				
Transfers out	(20,000)	(561,050)	(571,652)	(10,602)
<b>Total other financing sources (uses)</b>	<u>(20,000)</u>	<u>(561,050)</u>	<u>(571,652)</u>	<u>(10,62)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>19,160</u>	<u>(521,890)</u>	<u>(364,315)</u>	<u>157,575</u>
<b>Budgetary Fund Balances - October 1</b>	12,818,042	12,818,042	12,818,042	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 12,837,202</u>	<u>\$ 12,296,152</u>	12,453,727	<u>\$ 157,575</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			2,093,445	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>2,150,992</u>	
<b>Fund balance - September 30</b>			<u>\$ 16,698,164</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Professional Sports Facility Sales Tax*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
State - Sales Tax	\$ 2,000,000	\$ 2,000,000	\$ 2,000,004	\$ 4
Earnings on Investments	3,972	3,972	1	(3,971)
<b>Total revenues</b>	<u>2,003,972</u>	<u>2,003,972</u>	<u>2,000,005</u>	<u>(3,967)</u>
<b>Other financing sources (uses)</b>				
Transfers out	(2,000,004)	(2,000,004)	(2,000,004)	-
<b>Total other financing sources (uses)</b>	<u>(2,000,004)</u>	<u>(2,000,004)</u>	<u>(2,000,004)</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>3,968</u>	<u>3,968</u>	<u>1</u>	<u>(3,967)</u>
<b>Budgetary Fund Balances - October 1</b>	13,834	13,834	13,834	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 17,802</u>	<u>\$ 17,802</u>	13,835	<u>\$ (3,967)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund Balances – September 30</b>			<u>\$ 13,835</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Building Permit*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Licenses and Permits	\$ 2,637,000	\$ 2,637,000	\$ 3,429,656	\$ 792,656
Charges for Services and User Fees	414,000	414,000	710,707	296,707
Earnings on Investments	-	-	4,608	4,608
Other	-	-	9,534	9,534
<b>Total revenues</b>	<u>3,051,000</u>	<u>3,051,000</u>	<u>4,154,505</u>	<u>1,103,505</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	3,485,604	3,486,081	3,312,248	173,833
<b>Total expenditures</b>	<u>3,485,604</u>	<u>3,486,081</u>	<u>3,312,248</u>	<u>173,833</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(434,604)</u>	<u>(435,081)</u>	<u>842,257</u>	<u>1,277,338</u>
<b>Budgetary Fund Balances - October 1</b>	517,915	517,915	517,915	-
Reserve for Encumbrances – October 1, 2011	-	477	477	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances - September 30</b>	<u>\$ 83,311</u>	<u>\$ 83,311</u>	1,360,649	<u>\$ 1,277,338</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			5,630	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			1,267	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund Balances - September 30</b>			<u>\$ 1,367,546</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Local Law Enforcement Trust*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 416,846	\$ 416,846
Earnings on Investments	-	-	3,815	3,815
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>420,661</u>	<u>420,661</u>
<b>Expenditures</b>				
Current Operations:				
Police	186,335	381,715	557,442	(175,727)
Capital Outlay	-	553,346	233,834	319,512
<b>Total expenditures</b>	<u>186,335</u>	<u>935,061</u>	<u>791,276</u>	<u>143,785</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(186,335)</u>	<u>(935,061)</u>	<u>(370,615)</u>	<u>564,446</u>
<b>Budgetary Fund Balances - October 1</b>	1,452,377	1,452,377	1,452,377	-
Reserve for Encumbrances – October 1, 2011	-	524	524	-
Change in Reserve for Prepaid Costs and Inventory	-	-	111	111
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 1,266,042</u>	<u>\$ 517,840</u>	1,082,397	<u>\$ 564,557</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			29,391	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			8,249	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund Balances - September 30</b>			<u>\$ 1,120,037</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Emergency Medical Services*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Charges for Services and User Fees	\$ 12,455,148	\$ 12,455,148	\$ 12,455,430	\$ 282
Federal, State and Other Grants	-	-	6,069	6,069
State - Other	23,040	23,040	24,040	1,000
Dispositions of Property	-	-	80,489	80,489
Other	-	-	21,209	21,209
<b>Total revenues</b>	<u>12,478,188</u>	<u>12,478,188</u>	<u>12,587,237</u>	<u>109,049</u>
<b>Expenditures</b>				
Current Operations:				
Fire and EMS	12,860,940	12,868,291	12,286,323	581,968
Capital Outlay	212,000	242,080	244,436	(2,356)
<b>Total expenditures</b>	<u>13,072,940</u>	<u>13,110,371</u>	<u>12,530,759</u>	<u>579,612</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(594,752)</u>	<u>(632,183)</u>	<u>56,478</u>	<u>688,661</u>
<b>Other financing sources (uses)</b>				
Transfers out	-	-	(20,600)	(20,600)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>(20,600)</u>	<u>(20,600)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(594,752)</u>	<u>(632,183)</u>	<u>35,878</u>	<u>668,061</u>
<b>Budgetary Fund Balances - October 1</b>	1,274,895	1,274,895	1,274,895	-
Reserve for Encumbrances – October 1, 2011	-	11,533	11,533	-
Change in Reserve for Prepaid Costs and Inventory	-	-	76	76
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 680,143</u>	<u>\$ 654,245</u>	<u>1,322,382</u>	<u>\$ 668,137</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			799	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund Balances - September 30</b>			<u>\$ 1,323,181</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Local Housing Assistance Trust*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ 218,027	\$ 218,027	\$ -	\$ (218,027)
Earnings on Investments	3,972	3,972	107,718	103,746
Other	278,001	278,001	209,362	(68,639)
<b>Total revenues</b>	<u>500,000</u>	<u>500,000</u>	<u>317,080</u>	<u>(182,920)</u>
<b>Expenditures</b>				
Current Operations:				
Recreation and Culture	<u>500,000</u>	<u>2,153,787</u>	<u>1,029,292</u>	<u>1,124,495</u>
<b>Total expenditures</b>	<u>500,000</u>	<u>2,153,787</u>	<u>1,029,292</u>	<u>1,124,495</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(1,653,787)</u>	<u>(712,212)</u>	<u>941,575</u>
<b>Budgetary Fund Balances - October 1</b>	1,669,726	1,669,726	1,669,726	-
Reserve for Encumbrances – October 1, 2011	-	210	210	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 1,669,726</u>	<u>\$ 16,149</u>	957,724	<u>\$ 941,575</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			93,910	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			184,533	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>(53,450)</u>	
<b>Fund Balances - September 30</b>			<u>\$ 1,182,717</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Community Housing Trust*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ -	\$ 967,526	\$ -	\$ (967,526)
Earnings on Investments			21,173	21,173
<b>Total revenues</b>	<u>-</u>	<u>967,526</u>	<u>21,173</u>	<u>(946,353)</u>
<b>Expenditures</b>				
Current Operations:				
Recreation and Culture	-	967,526	171,591	795,935
<b>Total expenditures</b>	<u>-</u>	<u>967,526</u>	<u>171,591</u>	<u>795,935</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>(150,418)</u>	<u>(150,418)</u>
<b>Budgetary Fund Balances - October 1</b>	338,814	338,814	338,814	-
Reserve for Encumbrances – October 1, 2011	-	5,200	5,200	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 338,814</u>	<u>\$ 344,014</u>	193,596	<u>\$ (150,418)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			106,000	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			23,816	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>(24,332)</u>	
<b>Fund Balances - September 30</b>			<u>\$ 299,080</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*American Recovery And Rehabilitation Act*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ -	\$ 10,160	\$ 54,359	\$ 44,199
Earnings on Investments	-	-	23	23
<b>Total revenues</b>	<u>-</u>	<u>10,160</u>	<u>54,382</u>	<u>44,222</u>
<b>Expenditures</b>				
Current Operations:				
Public Works	-	-	11,429	(11,429)
Recreation and Culture	-	54,360	20,289	34,071
Capital Outlay	-	-	22,641	(22,641)
<b>Total expenditures</b>	<u>-</u>	<u>54,360</u>	<u>54,359</u>	<u>1</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(44,200)</u>	<u>23</u>	<u>44,223</u>
<b>Budgetary Fund Balances - October 1</b>	-	-	-	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ -</u>	<u>\$ (44,200)</u>	<u>23</u>	<u>\$ 44,223</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ 23</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*School Crossing Guard Fund*  
*Fiscal Year Ended September 30, 2012*

	Original Budget	Final Approved Budget	Actual	Variance with Final Budget Over/Under
<b>Revenues</b>				
Fines and Forfeitures	\$ 300,000	\$ 300,000	\$ 338,992	\$ 38,992
Earnings on Investments	-	-	1	1
<b>Total Revenues</b>	<u>300,000</u>	<u>300,000</u>	<u>338,993</u>	<u>38,993</u>
<b>Expenditures</b>				
Current Operations:				
Community and Economic Development	-	-	85	(85)
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>85</u>	<u>(85)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>300,000</u>	<u>300,000</u>	<u>338,908</u>	<u>38,908</u>
<b>Other financing sources (uses)</b>				
Transfers out	(300,000)	(322,180)	(357,217)	35,775
<b>Total other financing sources (uses)</b>	<u>(300,000)</u>	<u>(322,180)</u>	<u>(357,217)</u>	<u>35,775</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(22,180)</u>	<u>(18,309)</u>	<u>3,871</u>
<b>Budgetary Fund Balances - October 1</b>	45,174	45,174	45,174	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 45,174</u>	<u>\$ 22,994</u>	26,865	<u>\$ 3,871</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ 26,865</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Police Grants Funds*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Federal, State and Other Grants	\$ -	\$ -	\$ 542,344	\$ 542,344
Earnings on Investments	-	-	77	77
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>542,421</u>	<u>542,421</u>
<b>Expenditures</b>				
Current Operations:				
Police	548,042	856,576	562,893	293,683
<b>Total expenditures</b>	<u>548,042</u>	<u>856,576</u>	<u>562,893</u>	<u>293,683</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(548,042)</u>	<u>(856,576)</u>	<u>(20,472)</u>	<u>836,104</u>
<b>Budgetary Fund Balances - October 1</b>	841	841	841	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ (547,201)</u>	<u>\$ (855,735)</u>	(19,631)	<u>\$ 836,104</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund Balances - September 30</b>			<u>\$ (19,631)</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Police Officers Training*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Fines and Forfeitures	\$ -	\$ -	\$ 50,365	\$ 50,365
Earnings on Investments	-	-	26	26
Other	-	-	160	160
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>50,551</u>	<u>50,551</u>
<b>Expenditures</b>				
Current Operations:				
Police	-	25	62,061	(62,036)
<b>Total expenditures</b>	<u>-</u>	<u>25</u>	<u>62,061</u>	<u>(62,036)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(25)</u>	<u>(11,510)</u>	<u>(11,485)</u>
<b>Fund balance - October 1</b>	122,551	122,551	122,551	-
Reserve for Encumbrances – October 1, 2011	-	25	25	-
Change in Reserve for Prepaid Costs and Inventory	-	-	(267)	(267)
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 122,551</u>	<u>\$ 122,551</u>	110,799	<u>\$ (11,752)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			315	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund balance - September 30</b>			<u>\$ 111,114</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Special Revenue Funds*  
*Donation Funds*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Charges for Services and User Fees	\$ -	\$ -	\$ 6,995	\$ 6,995
Earnings on Investments			4,790	4,790
Contributions	-	-	338,323	338,323
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>350,108</u>	<u>350,108</u>
<b>Expenditures</b>				
Current Operations:				
General Government	-	-	822	(822)
Community and Economic Development	-	-	70,000	(70,000)
Fire and EMS	-	-	4,798	(4,798)
Recreation and Culture	1,500,000	1,500,000	320,196	1,179,804
Capital Outlay	-	-	13,934	(13,934)
<b>Total expenditures</b>	<u>1,500,000</u>	<u>1,500,000</u>	<u>409,750</u>	<u>1,090,250</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(59,642)</u>	<u>1,440,358</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	-	51	51
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>-</u>	<u>51</u>	<u>51</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(59,591)</u>	<u>1,440,409</u>
<b>Budgetary Fund Balances - October 1</b>	571,026	571,026	571,026	-
Reserve for Encumbrances – October 1, 2011	-	1,874	1,874	-
Change in Reserve for Prepaid Costs and Inventory				
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ (928,974)</u>	<u>\$ (927,100)</u>	513,309	<u>\$ 1,440,409</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			10,747	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			(8,155)	
Recognition of Current Year's Changes in Fair Value of Investments Held			10,832	
<b>Fund Balances - September 30</b>			<u>\$ 526,733</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Public Improvement*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	6,540,000	6,540,000	6,540,000	-
Interest Payments	163,500	163,500	163,500	-
<b>Total expenditures</b>	<u>6,703,500</u>	<u>6,703,500</u>	<u>6,703,500</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(6,703,500)</u>	<u>(6,703,500)</u>	<u>(6,703,500)</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in	6,703,500	6,703,500	6,703,500	-
<b>Total other financing sources (uses)</b>	<u>6,703,500</u>	<u>6,703,500</u>	<u>6,703,500</u>	<u>-</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>				
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Excise Tax*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
State - Sales Tax	\$ 7,030,423	\$ -	\$ -	\$ -
State - Revenue Sharing	-	-	2,609,011	2,609,011
Pinellas County - Tourist Development	1,462,477	6,595,858	5,864,763	(731,095)
Earnings on Investments	299,980	299,980	82,644	(217,336)
<b>Total revenues</b>	<u>8,792,880</u>	<u>6,895,838</u>	<u>8,556,418</u>	<u>1,660,580</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	6,685,000	6,685,000	6,685,000	-
Interest Payments	1,690,019	1,690,019	1,690,018	1
Remarketing and Other Fees	-	-	550	(550)
<b>Total expenditures</b>	<u>8,375,019</u>	<u>8,375,019</u>	<u>8,375,568</u>	<u>(549)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>417,861</u>	<u>(1,479,181)</u>	<u>180,850</u>	<u>1,660,031</u>
<b>Other financing sources (uses)</b>				
Transfers out	(245,000)	(245,000)	(63,614)	181,386
<b>Total other financing sources (uses)</b>	<u>(245,000)</u>	<u>(245,000)</u>	<u>(63,614)</u>	<u>181,386</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>172,861</u>	<u>(1,724,181)</u>	<u>117,236</u>	<u>1,841,417</u>
<b>Budgetary Fund Balances - October 1</b>	7,466,150	7,466,150	7,466,150	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 7,639,011</u>	<u>\$ 5,741,969</u>	7,583,386	<u>\$ 1,841,417</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			149,929	
Recognition of Current Year's Changes in Fair Value of Investments Held			<u>55,626</u>	
<b>Fund Balances - September 30</b>			<u>\$ 7,788,941</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Professional Sports Facility Sales Tax*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ 755	\$ 755	\$ 181	\$ (574)
<b>Total revenues</b>	<u>755</u>	<u>755</u>	<u>181</u>	<u>(574)</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	1,050,000	1,050,000	1,050,000	-
Interest Payments	861,587	861,587	861,588	(1)
Remarketing and Other Fees	-	-	540	(540)
<b>Total expenditures</b>	<u>1,911,587</u>	<u>1,911,587</u>	<u>1,912,128</u>	<u>(541)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,910,832)</u>	<u>(1,910,832)</u>	<u>(1,911,947)</u>	<u>(1,115)</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,928,770	1,928,770	1,929,884	1,114
<b>Total other financing sources (uses)</b>	<u>1,928,770</u>	<u>1,928,770</u>	<u>1,929,884</u>	<u>1,114</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>17,938</u>	<u>17,938</u>	<u>17,937</u>	<u>(1)</u>
<b>Budgetary Fund Balances - October 1</b>	1,489,325	1,489,325	1,489,325	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 1,507,263</u>	<u>\$ 1,507,263</u>	1,507,262	<u>\$ (1)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ 1,507,262</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*First Florida*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ 9	\$ 9
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	2,075,000	2,075,000	2,075,000	-
Interest Payments	621,850	621,850	621,850	-
Remarketing and Other Fees	9,700	9,700	9,941	(241)
<b>Total expenditures</b>	<u>2,706,550</u>	<u>2,706,550</u>	<u>2,706,791</u>	<u>(241)</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(2,706,550)</u>	<u>(2,706,550)</u>	<u>(2,706,782)</u>	<u>(232)</u>
<b>Other financing sources (uses)</b>				
Transfers in	2,706,550	2,706,550	2,706,782	232
<b>Total other financing sources (uses)</b>	<u>2,706,550</u>	<u>2,706,550</u>	<u>2,706,782</u>	<u>232</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Budgetary Fund Balances - October 1</b>	(100,000)	(100,000)	(100,000)	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ (100,000)</u>	<u>\$ (100,000)</u>	<u>(100,000)</u>	<u>\$ -</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			100,000	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
<b>Fund balance - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*BB and T Notes*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	555,000	555,000	555,000	-
Interest Payments	87,396	87,396	87,396	-
<b>Total expenditures</b>	<u>642,396</u>	<u>642,396</u>	<u>642,396</u>	<u>-</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(642,396)</u>	<u>(642,396)</u>	<u>(642,396)</u>	<u>-</u>
<b>Other financing sources (uses)</b>				
Transfers in	642,396	642,396	40,840	(601,556)
<b>Total other financing sources (uses)</b>	<u>642,396</u>	<u>642,396</u>	<u>40,840</u>	<u>(601,556)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>-</u>	<u>(601,556)</u>	<u>(601,556)</u>
<b>Fund balance - October 1</b>	601,556	601,556	601,556	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 601,556</u>	<u>\$ 601,556</u>	<u>-</u>	<u>\$ (601,556)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
			<u>-</u>	
<b>Fund balance - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*Banc Of America*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ 500	\$ 500	\$ 79	\$ (421)
<b>Total revenues</b>	<u>500</u>	<u>500</u>	<u>79</u>	<u>(421)</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	237,000	21,473,000	21,592,000	(119,000)
Interest Payments	944,512	944,512	375,818	568,694
<b>Total expenditures</b>	<u>1,181,512</u>	<u>22,417,512</u>	<u>21,967,818</u>	<u>449,694</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(1,181,012)</u>	<u>(22,417,012)</u>	<u>(21,967,739)</u>	<u>449,273</u>
<b>Other financing sources (uses)</b>				
Transfers in	1,105,511	22,605,511	21,926,482	(679,029)
Transfers out	-	(430,000)	(428,566)	1,434
<b>Total other financing sources (uses)</b>	<u>1,105,511</u>	<u>22,175,511</u>	<u>21,497,916</u>	<u>(677,595)</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>(75,501)</u>	<u>(241,501)</u>	<u>(469,823)</u>	<u>(228,322)</u>
<b>Budgetary Fund Balances - October 1</b>	469,823	469,823	469,823	-
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ 394,322</u>	<u>\$ 228,322</u>	-	<u>\$ (228,322)</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
Value of Investments Held			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ -</u>	

See accompanying Independent Auditor's Report

**City of St. Petersburg, Florida**  
*Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual*  
*Nonmajor Debt Service Funds*  
*JP Morgan Chase*  
*Fiscal Year Ended September 30, 2012*

	<u>Original Budget</u>	<u>Final Approved Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Over/Under</u>
<b>Revenues</b>				
Earnings on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal Payments	-	178,000	178,000	-
Interest Payments	-	266,000	266,638	(638)
Remarketing and Other Fees	-	53,000	51,228	1,772
<b>Total expenditures</b>	<u>-</u>	<u>497,000</u>	<u>495,866</u>	<u>1,134</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>-</u>	<u>(497,000)</u>	<u>(495,866)</u>	<u>1,134</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	430,000	691,634	261,634
Transfers out	-	(21,500,000)	(21,470,772)	29,228
Issuance of Debt	-	21,522,000	21,522,000	-
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>452,000</u>	<u>742,862</u>	<u>290,862</u>
<b>Excess (deficiency) of revenues and other sources over expenditures and other uses</b>	<u>-</u>	<u>(45,000)</u>	<u>246,996</u>	<u>291,996</u>
<b>Budgetary Fund Balances - October 1</b>				
Reserve for Encumbrances – October 1, 2011	-	-	-	-
Change in Reserve for Prepaid Costs and Inventory	-	-	-	-
Change in Advances with Other Funds	-	-	-	-
<b>Budgetary Fund Balances – September 30</b>	<u>\$ -</u>	<u>\$ (45,000)</u>	<u>246,996</u>	<u>\$ 291,996</u>
<b>Reconciliation of Budget to GAAP Reporting</b>				
Reserve for Encumbrances – September 30, 2012			-	
Adjustment to Fund Balance for Advances			-	
Current Year Advances with other Funds			-	
Reserve for Prepaid Costs and Inventory			-	
Recognition of Prior Year's Changes in Fair Value of Investments Held			-	
Recognition of Current Year's Changes in Fair Value of Investments Held			-	
			<u>-</u>	
<b>Fund Balances - September 30</b>			<u>\$ 246,996</u>	

See accompanying Independent Auditor's Report



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## City of St. Petersburg, Florida

### Non-Major Enterprise Funds

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

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

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

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

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

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

Parking - This fund is used to account for the revenue collected from downtown parking and the related fines and is used for parking operations, improvements, and debt service.

Mahaffey Theater - This fund is used to account for the revenue generated by the Mahaffey Theater, general fund transfers and the related operating and capital expenditures.

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

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

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

**City of St. Petersburg, Florida**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
**September 30, 2012**

	Airport	Port	Marina	Golf Course
<b>Assets</b>				
Current assets:				
Cash and Cash Equivalents	\$ 147,928	\$ 179,880	\$ 1,388,494	\$ 225,213
Investments	-	521,946	1,345,873	-
Accounts	49,185	12,639	62,304	150
Accrued Interest	-	13,979	2,077	-
Due from Other Governmental Agencies:				
Grants	121,132	33,832	13,045	1,524
Services	-	1,835	-	-
Inventories	-	-	40,898	105,079
Prepaid Expenses and Deposits	-	-	1,250	3,500
Total current assets	<u>318,245</u>	<u>764,111</u>	<u>2,853,941</u>	<u>335,466</u>
Noncurrent assets:				
Capital assets:				
Land	1,912,168	1,001,500	-	392,907
Buildings	12,457,430	11,176,965	4,165,451	1,705,491
Improvements	9,682,647	5,680,913	14,637,732	6,348,441
Machinery and Equipment	714,978	25,511	484,687	1,377,416
Accumulated Depreciation	(8,486,829)	(3,856,605)	(10,151,535)	(7,725,085)
Projects in Progress	125,021	-	-	-
Net capital assets	<u>16,405,415</u>	<u>14,028,284</u>	<u>9,136,335</u>	<u>2,099,170</u>
Total noncurrent assets	<u>16,405,415</u>	<u>14,028,284</u>	<u>9,136,335</u>	<u>2,099,170</u>
<b>Total assets</b>	<b>\$ 16,723,660</b>	<b>\$ 14,792,395</b>	<b>\$ 11,990,276</b>	<b>\$ 2,434,636</b>
<b>Liabilities</b>				
Current liabilities:				
Vouchers and Accounts Payable	\$ 106,530	\$ 1,934	\$ 112,546	\$ 34,739
Accrued Salaries	4,358	3,050	16,767	39,010
Accrued Annual Leave	-	695	390	3,921
Retainage on Contracts	30,322	-	4,486	625
Due to Other Funds	-	528,699	-	27,000
Due to Other Governmental Agencies	4,399	-	15,398	13,052
Notes Payable - Current Portion	-	-	455,000	-
Accrued Interest	-	-	53,468	-
Deposits	3,951	-	17,840	101,745
Unearned Revenue	904	-	-	-
Total current liabilities	<u>150,464</u>	<u>534,378</u>	<u>675,895</u>	<u>220,092</u>
Noncurrent liabilities:				
Advance from Other Funds	2,907,063	-	-	-
Accrued Annual Leave less Current Portion	17,827	7,814	36,282	252,944
Obligation for OPEB	36,484	95,769	205,811	349,429
Unamortized Discount (Premium)	-	-	(23,037)	-
Capital Leases Payable	-	-	-	116,021
Notes Payable	-	-	4,950,000	-
Total noncurrent liabilities	<u>2,961,374</u>	<u>103,583</u>	<u>5,169,056</u>	<u>718,394</u>
<b>Total liabilities</b>	<b>3,111,838</b>	<b>637,961</b>	<b>5,844,951</b>	<b>938,486</b>
<b>Net position</b>				
Invested in Capital Assets, Net of Related Debt	16,405,415	14,028,284	3,754,372	1,983,149
Unrestricted	(2,793,593)	126,150	2,390,953	(486,999)
<b>Total net position</b>	<b>\$ 13,611,822</b>	<b>\$ 14,154,434</b>	<b>\$ 6,145,325</b>	<b>\$ 1,496,150</b>

See accompanying Independent Auditor's Report.

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total Nonmajor Enterprise Funds
\$ 70,971	\$ 727,800	\$ 497,452	\$ 184,119	\$ 118,288	\$ 139,907	\$ 3,680,052
-	1,505,432	-	-	-	-	3,373,251
35,420	206,161	41,778	30,575	296	3,055	441,563
-	6,667	-	-	-	-	22,723
-	-	-	10,393	-	1,281	181,207
-	-	-	-	-	-	1,835
-	-	18,791	-	10,919	40,330	216,017
-	-	41,372	60,107	600	7,695	114,524
106,391	2,446,060	599,393	285,194	130,103	192,268	8,031,172
1,738,673	50,023	2,313,500	-	2,015,663	2,918,450	12,342,884
6,513,991	12,185,621	51,639,751	16,604,921	2,381,553	4,041,073	122,872,247
219,976	2,007,758	7,923,680	2,236,151	1,193,916	1,951,992	51,883,206
349,833	1,373,248	3,052,217	828,032	835,488	117,198	9,158,608
(2,264,507)	(5,317,019)	(23,359,285)	(16,502,245)	(2,485,462)	(1,513,497)	(81,662,069)
-	-	-	-	-	-	125,021
6,557,966	10,299,631	41,569,863	3,166,859	3,941,158	7,515,216	114,719,897
6,557,966	10,299,631	41,569,863	3,166,859	3,941,158	7,515,216	114,719,897
\$ 6,664,357	\$ 12,745,691	\$ 42,169,256	\$ 3,452,053	\$ 4,071,261	\$ 7,707,484	\$ 122,751,069
\$ 17,763	\$ 71,655	\$ 38,517	\$ 46,032	\$ 8,689	\$ 23,529	\$ 461,934
8,373	29,086	-	-	13,640	16,160	130,444
-	-	-	-	-	-	5,006
-	-	-	-	-	-	35,433
-	-	-	-	-	-	555,699
-	13,064	5,962	125,743	576	2,619	180,813
-	-	-	-	-	-	455,000
-	-	-	-	-	-	53,468
34,762	40,716	36,832	37,639	78,621	107,835	459,941
-	-	317,303	-	-	2,198	320,405
60,898	154,521	398,614	209,414	101,526	152,341	2,658,143
-	-	-	-	-	-	2,907,063
48,785	50,544	-	-	48,135	25,274	487,605
64,978	290,060	-	-	65,597	68,138	1,176,266
-	-	-	-	-	-	(23,037)
-	-	-	-	-	-	116,021
-	-	-	-	-	-	4,950,000
113,763	340,604	-	-	113,732	93,412	9,613,918
174,661	495,125	398,614	209,414	215,258	245,753	12,272,061
6,557,966	10,299,631	41,569,863	3,166,859	3,941,158	7,515,216	109,221,913
(68,270)	1,950,935	200,779	75,780	(85,155)	(53,485)	1,257,095
\$ 6,489,696	\$ 12,250,566	\$ 41,770,642	\$ 3,242,639	\$ 3,856,003	\$ 7,461,731	\$ 110,479,008

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Nonmajor Enterprise Activities*  
*Fiscal Year Ended September 30, 2012*

	Airport	Port	Marina	Golf Course
<b>Operating revenues</b>				
Sales and Concessions	\$ -	\$ -	\$ 695,216	\$ 647,208
Service Charges and Fees	-	193,548	5,353	2,546,808
Fines and Forfeitures	-	-	-	-
Rentals and Parking	989,405	12,824	2,651,142	470,507
<b>Total operating revenues</b>	<u>989,405</u>	<u>206,372</u>	<u>3,351,711</u>	<u>3,664,523</u>
<b>Operating expenses</b>				
Personal Services and Benefits	152,584	424,343	1,097,928	2,241,878
Supplies, Services and Claims	266,432	228,924	1,489,363	1,457,953
Depreciation	640,837	459,741	696,206	307,267
<b>Total operating expenses</b>	<u>1,059,853</u>	<u>1,113,008</u>	<u>3,283,497</u>	<u>4,007,098</u>
<b>Operating income (loss)</b>	<u>(70,448)</u>	<u>(906,636)</u>	<u>68,214</u>	<u>(342,575)</u>
<b>Nonoperating revenues (expenses)</b>				
Intergovernmental Revenues	154,906	170,144	13,045	1,525
Earnings on Investments	23	18,067	7,976	78
Interest Expense	-	-	(226,921)	(3,288)
Issue Cost and Amortization of Bond Discount	-	-	(9,693)	-
Gain (Loss) on Disposition of Capital Assets	-	-	-	-
Miscellaneous Revenue	-	-	4,750	(1,365)
<b>Total nonoperating revenues (expenses)</b>	<u>154,929</u>	<u>188,211</u>	<u>(210,843)</u>	<u>(3,050)</u>
<b>Income (loss) before contributions and transfers</b>	84,481	(718,425)	(142,629)	(345,625)
<b>Transfers and contributions</b>				
Capital Assets from (to) Other Funds	-	-	-	-
Contributions from Citizens and Developers	-	-	20,000	1,450
Transfers In	-	361,000	-	-
Transfers Out	(131,352)	-	(422,604)	(54,828)
<b>Total transfers and contributions</b>	<u>(131,352)</u>	<u>361,000</u>	<u>(402,604)</u>	<u>(53,378)</u>
<b>Change in net position</b>	(46,871)	(357,425)	(545,233)	(399,003)
<b>Net position - October 1 (Restated)</b>	<u>13,658,693</u>	<u>14,511,859</u>	<u>6,690,558</u>	<u>1,895,153</u>
<b>Net position - September 30</b>	<u>\$ 13,611,822</u>	<u>\$ 14,154,434</u>	<u>\$ 6,145,325</u>	<u>\$ 1,496,150</u>

See accompanying Independent Auditor's Report

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total Nonmajor Enterprise Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,342,424
9,842	3,957,355	2,979,981	249,596	544,738	761,463	11,248,684
-	1,573,755	-	-	-	-	1,573,755
378,590	141,196	-	696,562	-	-	5,340,226
388,432	5,672,306	2,979,981	946,158	544,738	761,463	19,505,089
138,310	1,481,341	932,656	617,317	472,488	497,710	8,056,555
181,382	2,516,142	2,854,915	1,768,839	271,621	398,260	11,433,831
138,739	425,398	1,869,775	3,361,507	167,319	253,868	8,320,657
458,431	4,422,881	5,657,346	5,747,663	911,428	1,149,838	27,811,043
(69,999)	1,249,425	(2,677,365)	(4,801,505)	(366,690)	(388,375)	(8,305,954)
-	-	-	10,393	-	1,281	351,294
18	71	2,105	-	5	19	28,362
-	-	-	-	-	-	(230,209)
-	-	-	-	-	-	(9,693)
-	(71)	(166)	-	-	-	(237)
4,018	4,149	418,627	60,644	139	27,664	518,626
4,036	4,149	420,566	71,037	144	28,964	658,143
(65,963)	1,253,574	(2,256,799)	(4,730,468)	(366,546)	(359,411)	(7,647,811)
1,531,182	-	2,122,155	-	-	29,633	3,682,970
-	-	-	-	-	712	22,162
188,000	-	670,000	1,386,000	238,000	105,000	2,948,000
(38,676)	(517,896)	-	-	-	-	(1,165,356)
1,680,506	(517,896)	2,792,155	1,386,000	238,000	135,345	5,487,776
1,614,543	735,678	535,356	(3,344,468)	(128,546)	(224,066)	(2,160,035)
4,875,153	11,514,888	41,235,286	6,587,107	3,984,549	7,685,797	112,639,043
\$ 6,489,696	\$ 12,250,566	\$ 41,770,642	\$ 3,242,639	\$ 3,856,003	\$ 7,461,731	\$ 110,479,008

**City of St. Petersburg, Florida**  
**Combining Statement of Cash Flows**  
**Non-Major Enterprise Funds**  
**Fiscal Year Ended September 30, 2012**

	<u>Airport</u>	<u>Port</u>	<u>Marina</u>	<u>Golf Course</u>
<b>Cash flows from operating activities</b>				
Operating Income (loss)	\$ (70,448)	\$ (906,636)	\$ 68,214	\$ (342,575)
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation	640,837	459,741	696,206	307,267
Amortization	-	-	(5,466)	(46,132)
Other non-operating income (loss), net	-	-	4,750	(1,365)
Changes in assets and liabilities:				
Accounts Receivable, DFOG, net	(27,360)	78,269	55,322	183
Prepays & Other Assets	549	-	(2,366)	10,932
Accounts Payable & accrued liabilities	(335,753)	(101,588)	(4,566)	2,345
Deposits	(549)	-	(2,190)	8,529
Compensated absences and OPEB	9,853	11,931	50,813	73,046
<b>Cash provided by (used for) operating activities</b>	<u>217,129</u>	<u>(458,283)</u>	<u>860,717</u>	<u>12,230</u>
<b>Cash flows from noncapital financing activities</b>				
Intergovernmental Revenue	593,391	346,067	1,497	3,938
(Payment) Receipt on Interfund Loan	(50,004)	(979,503)	-	27,000
Transfers-in	-	361,000	-	-
Transfers-out	(131,352)	-	(422,604)	(54,828)
<b>Cash provided by (used for) noncapital financing activities</b>	<u>412,035</u>	<u>(272,436)</u>	<u>(421,107)</u>	<u>(23,890)</u>
<b>Cash flows from capital &amp; related financing activities</b>				
Proceeds from issuance of debt	-	-	-	-
Proceeds from special assessment	-	-	20,000	1,450
Acquisition & Construction of Capital Assets, net of proceeds	(584,213)	-	(181,178)	(81,214)
Proceeds from sale of property, plant, equipment	-	-	-	-
Principal paid on capital debt	-	-	-	-
Bond fees and costs	-	-	-	-
Payment of interest	-	-	(231,271)	(3,288)
Principal received	-	-	(435,000)	-
Prepaid bond payments	-	-	-	-
<b>Cash provided by (used for) capital &amp; related financing activities</b>	<u>(584,213)</u>	<u>-</u>	<u>(827,449)</u>	<u>(83,052)</u>
<b>Cash flows from investment activities</b>				
Purchase, Sale and Maturities of Investments, net	-	3,131	1,161,678	-
Interest received on investments	23	25,026	20,282	78
<b>Cash provided by (used for) investing activities</b>	<u>23</u>	<u>28,157</u>	<u>1,181,960</u>	<u>78</u>
<b>Net increase (decrease) in cash</b>	44,974	(702,562)	794,121	(94,634)
<b>Cash at beginning of year</b>	<u>102,954</u>	<u>882,442</u>	<u>594,373</u>	<u>319,847</u>
<b>Cash at year end</b>	<u>\$ 147,928</u>	<u>\$ 179,880</u>	<u>\$ 1,388,494</u>	<u>\$ 225,213</u>
<b>Non-cash Investing, Capital, and Financing Activities</b>				
Contributions of Capital Assets (to)/from Other Funds	-	-	-	-
Interest Receivable	-	-	-	-
Change in Fair Value of Investments	-	6,959	8,663	-
Capitalized interest	-	-	-	-
<b>Total</b>	<u>\$ -</u>	<u>\$ 6,959</u>	<u>\$ 8,663</u>	<u>\$ -</u>
<b>Cash flows from operating activities</b>				
Cash received from customers and users	\$ 962,400	\$ 284,641	\$ 3,384,127	\$ 3,625,738
Cash received from interfund services provided	(1,761,617)	(338,389)	(674,046)	(723,394)
Cash payments to vendors for goods & services	987,090	(202,159)	(1,039,399)	(977,350)
Cash payments to employees for services	29,256	(202,376)	(809,965)	(1,912,764)
<b>Cash provided by (used for) operating activities</b>	<u>\$ 217,129</u>	<u>\$ (458,283)</u>	<u>\$ 860,717</u>	<u>\$ 12,230</u>

See accompanying Independent Auditor's Report.

Jamestown Complex	Parking	Mahaffey Theater	Pier	Coliseum	Sunken Gardens	Total
\$ (69,999)	\$ 1,249,425	\$ (2,677,365)	\$ (4,801,505)	\$ (366,690)	\$ (388,375)	\$ (8,305,954)
-	-	-	-	-	-	-
138,739	425,398	1,869,775	3,361,507	167,319	253,868	8,320,657
4,018	4,078	418,461	60,644	139	27,664	518,389
-	-	-	-	-	-	-
8,230	108,595	4,784	(7,262)	3,589	(2,619)	221,731
-	-	32,610	(3,164)	1,772	(18,649)	21,684
(949)	22,932	115,085	(2,283)	2,138	(2,687)	(305,326)
(8,991)	(9,395)	(34,247)	2,532	(34,168)	(16,092)	(94,571)
16,405	59,171	-	(82,535)	11,575	12,719	162,978
<u>87,453</u>	<u>1,860,204</u>	<u>(270,897)</u>	<u>(1,472,066)</u>	<u>(214,326)</u>	<u>(134,171)</u>	<u>487,990</u>
-	2,469	4,640	91,853	(32)	(24,494)	1,019,329
-	-	-	-	-	-	(1,002,507)
188,000	-	670,000	1,386,000	238,000	105,000	2,948,000
(38,676)	(517,896)	-	-	-	-	(1,165,356)
<u>149,324</u>	<u>(515,427)</u>	<u>674,640</u>	<u>1,477,853</u>	<u>237,968</u>	<u>80,506</u>	<u>1,799,466</u>
-	-	-	-	-	-	-
-	-	-	-	-	712	22,162
(322,005)	(218,093)	(216,359)	(1)	(42,169)	2	(1,645,230)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	(234,559)
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>(322,005)</u>	<u>(218,093)</u>	<u>(216,359)</u>	<u>(1)</u>	<u>(42,169)</u>	<u>714</u>	<u>(1,857,627)</u>
18	(1,505,432)	-	-	-	-	(340,605)
-	(6,596)	2,105	-	5	19	40,942
<u>18</u>	<u>(1,512,028)</u>	<u>2,105</u>	<u>-</u>	<u>5</u>	<u>19</u>	<u>(299,663)</u>
(85,210)	(385,344)	189,489	5,786	(18,522)	(52,932)	(304,834)
<u>156,181</u>	<u>1,113,144</u>	<u>307,963</u>	<u>178,333</u>	<u>136,810</u>	<u>192,839</u>	<u>3,984,886</u>
<u>\$ 70,971</u>	<u>\$ 727,800</u>	<u>\$ 497,452</u>	<u>\$ 184,119</u>	<u>\$ 118,288</u>	<u>\$ 139,907</u>	<u>\$ 3,680,052</u>
(1,531,182)	-	(2,122,155)	-	-	(29,633)	(3,682,970)
-	-	-	-	-	-	-
-	-	-	-	-	-	15,622
-	-	-	-	-	-	-
<u>\$ (1,531,182)</u>	<u>\$ -</u>	<u>\$ (2,122,155)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (29,633)</u>	<u>\$ (3,667,348)</u>
\$ 391,689	\$ 5,775,584	\$ 3,557,505	\$ 1,002,072	\$ 512,923	\$ 752,406	\$ 20,249,085
(135,592)	(782,444)	(283,600)	(162,820)	(188,908)	(164,334)	(5,215,144)
44,289	(1,819,646)	(2,616,853)	(1,764,782)	(181,212)	(329,173)	(7,899,195)
(212,933)	(1,313,290)	(927,949)	(546,536)	(357,129)	(393,070)	(6,646,756)
<u>\$ 87,453</u>	<u>\$ 1,860,204</u>	<u>\$ (270,897)</u>	<u>\$ (1,472,066)</u>	<u>\$ (214,326)</u>	<u>\$ (134,171)</u>	<u>\$ 487,990</u>



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## **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.

Information and Communications Services - This fund is used to account for central data processing and telephone systems and services.

Billing and Collections Services - This fund is used to account for the billing and collection of utility accounts, occupational taxes, and special assessments. It also includes cashiering functions and collection of invoices.

Consolidated inventory - This fund is used to account for inventory management and warehousing services.

Insurance Services - This fund is used to account for insurance and risk management services for all funds.

**City of St. Petersburg, Florida**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**September 30, 2012**

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Information and Communication Services</b>	<b>Billing and Collections</b>
<b>Assets</b>				
Current assets:				
Cash and Cash Equivalents	\$ 3,220,012	\$ 625,572	\$ 3,253,649	\$ 1,162,015
Investments	16,268,168	2,016,695	7,382,352	7,099,247
Receivables:				
Accounts	5,984	-	-	1,175,922
Accrued Interest	101,503	111	16,257	14,965
Due from Other Governmental Agencies:				
Grants	195	-	-	-
Inventories	290,962	-	23,743	-
Prepaid Expenses and Deposits	-	-	189,539	-
<b>Total current assets</b>	<b>19,886,824</b>	<b>2,642,378</b>	<b>10,865,540</b>	<b>9,452,149</b>
Noncurrent assets:				
Capital assets:				
Land	1,076,640	770,000	49,940	32,583
Buildings	3,229,423	7,427,532	1,800	-
Improvements	1,208,746	2,066,804	2,312	4,483
Machinery and Equipment	56,998,674	4,582,184	17,644,148	571,959
Accumulated Depreciation	(44,761,327)	(9,789,109)	(14,508,689)	(551,281)
Net capital assets	17,752,156	5,057,411	3,189,511	57,744
<b>Total assets</b>	<b>\$ 37,638,980</b>	<b>\$ 7,699,789</b>	<b>\$ 14,055,051</b>	<b>\$ 9,509,893</b>
<b>Liabilities</b>				
Current liabilities:				
Vouchers and Accounts Payable	\$ 1,512,296	\$ 636,223	\$ 390,686	\$ 297,126
Accrued Salaries	147,400	28,321	112,070	97,251
Accrued Annual Leave	9,314	-	20,055	18,007
Due to Other Governmental Agencies	869	-	-	682,447
Other Accrued Liabilities:				
Claims - Current Portion	-	-	-	-
Deposits	-	-	-	6,799,395
<b>Total current liabilities</b>	<b>1,669,879</b>	<b>664,544</b>	<b>522,811</b>	<b>7,894,226</b>
Accrued Annual Leave less Current Portion	361,722	89,733	465,786	360,734
Claims	-	-	-	-
Obligation for OPEB	609,572	89,458	820,407	1,087,155
<b>Total noncurrent liabilities</b>	<b>971,294</b>	<b>179,191</b>	<b>1,286,193</b>	<b>1,447,889</b>
<b>Total liabilities</b>	<b>2,641,173</b>	<b>843,735</b>	<b>1,809,004</b>	<b>9,342,115</b>
<b>Net position</b>				
Invested in Capital Assets, Net of Related Debt	17,752,156	5,057,411	3,189,511	57,744
Unrestricted	17,245,651	1,798,643	9,056,536	110,034
<b>Total net position</b>	<b>\$ 34,997,807</b>	<b>\$ 6,856,054</b>	<b>\$ 12,246,047</b>	<b>\$ 167,778</b>

See accompanying Independent Auditor's Report.

<b>Consolidated Inventory</b>	<b>Insurance</b>	<b>Total Internal Service Funds</b>
\$ 405,157	\$ 3,734,077	\$ 12,400,482
-	48,437,386	81,203,848
3,248	11,264	1,196,418
-	387,220	520,056
-	3,690	3,885
495,837	-	810,542
-	2,330,155	2,519,694
<u>904,242</u>	<u>54,903,792</u>	<u>98,654,925</u>
-	-	1,929,163
5,229,076	-	15,887,831
26,651	-	3,308,996
83,188	56,754	79,936,907
(815,362)	(56,354)	(70,482,122)
<u>4,523,553</u>	<u>400</u>	<u>30,580,775</u>
<u>\$ 5,427,795</u>	<u>\$ 54,904,192</u>	<u>\$ 129,235,700</u>
\$ 271,615	\$ 74,581	\$ 3,182,527
7,216	25,601	417,859
-	-	47,376
-	-	683,316
-	9,302,253	9,302,253
-	-	6,799,395
<u>278,831</u>	<u>9,402,435</u>	<u>20,432,726</u>
26,361	55,343	1,359,679
-	25,806,000	25,806,000
<u>62,821</u>	<u>115,257</u>	<u>2,784,670</u>
<u>89,182</u>	<u>25,976,600</u>	<u>29,950,349</u>
<u>368,013</u>	<u>35,379,035</u>	<u>50,383,075</u>
4,523,553	400	30,580,775
536,229	19,524,757	48,271,850
<u>\$ 5,059,782</u>	<u>\$ 19,525,157</u>	<u>\$ 78,852,625</u>

**City of St. Petersburg, Florida**  
*Combining Statement of Revenues, Expenses and Changes in Fund Net Position*  
*Internal Service Funds*  
*Fiscal Year Ended September 30, 2012*

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Information and Communication Services</b>	<b>Billing and Collections</b>
<b>Operating revenues</b>				
Service Charges and Fees	\$ 20,386,438	\$ 2,682,212	\$ 10,731,187	\$ 8,071,376
<b>Total operating revenues</b>	<u>20,386,438</u>	<u>2,682,212</u>	<u>10,731,187</u>	<u>8,071,376</u>
<b>Operating expenses</b>				
Personal Services and Benefits	4,730,587	1,052,513	5,818,879	5,429,876
Supplies, Services and Claims	12,277,162	1,315,368	4,342,147	2,854,758
Depreciation	4,369,109	263,980	1,107,821	15,354
<b>Total operating expenses</b>	<u>21,376,858</u>	<u>2,631,861</u>	<u>11,268,847</u>	<u>8,299,988</u>
<b>Operating income (loss)</b>	<u>(990,420)</u>	<u>50,351</u>	<u>(537,660)</u>	<u>(228,612)</u>
<b>Nonoperating revenues (expenses)</b>				
Earnings on Investments	370,435	9,172	205,278	92,107
Gain (Loss) on Disposition of Capital Assets	312,169	-	(4,541)	-
Miscellaneous Revenue	77,233	-	513,466	128,954
<b>Total nonoperating revenues (expenses)</b>	<u>759,837</u>	<u>9,172</u>	<u>714,203</u>	<u>221,061</u>
<b>Income (loss) before contributions and transfers</b>	<u>(230,583)</u>	<u>59,523</u>	<u>176,543</u>	<u>(7,551)</u>
<b>Transfers and contributions</b>				
Capital Assets from (to) Other Funds	(729)	-	272	-
Transfers From (To) Other Funds:				
Transfers In	-	-	108,800	-
Transfers Out	(49,800)	-	(470,004)	-
<b>Total transfers and contributions</b>	<u>(50,529)</u>	<u>-</u>	<u>(360,932)</u>	<u>-</u>
<b>Change in net position</b>	<u>(281,112)</u>	<u>59,523</u>	<u>(184,389)</u>	<u>(7,551)</u>
<b>Net position - October 1 (Restated)</b>	<u>35,278,919</u>	<u>6,796,531</u>	<u>12,430,436</u>	<u>175,329</u>
<b>Net position - September 30</b>	<u>\$ 34,997,807</u>	<u>\$ 6,856,054</u>	<u>\$ 12,246,047</u>	<u>\$ 167,778</u>

See accompanying Independent Auditor's Report

<b>Consolidated Inventory</b>	<b>Insurance</b>	<b>Total Internal Service Funds</b>
\$ 539,803	\$ 47,315,771	\$ 89,726,787
539,803	47,315,771	89,726,787
404,121	1,318,026	18,754,002
135,048	49,094,749	70,019,232
108,706	27	5,864,997
647,875	50,412,802	94,638,231
(108,072)	(3,097,031)	(4,911,444)
132	800,602	1,477,726
(48,703)	-	258,925
266	884,898	1,604,817
(48,305)	1,685,500	3,341,468
(156,377)	(1,411,531)	(1,569,976)
-	-	(457)
-	-	108,800
-	-	(519,804)
-	-	(411,461)
(156,377)	(1,411,531)	(1,981,437)
5,216,159	20,936,688	80,834,062
\$ 5,059,782	\$ 19,525,157	\$ 78,852,625

**City of St. Petersburg, Florida**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**Fiscal Year Ended September 30, 2012**

	<b>Equipment Maintenance</b>	<b>Facilities Maintenance</b>	<b>Information &amp; Communication Services</b>
<b>Cash flows from operating activities</b>			
Operating Income (loss)	\$ (990,420)	\$ 50,351	\$ (537,660)
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	4,369,109	263,980	1,107,821
Amortization	-	-	-
Other non-operating income (loss), net	389,402	-	508,925
Changes in assets and liabilities:			
Accounts Receivable, DFOG, net	(596)	2,490	298
Prepays & Other Assets	356,774	-	(2,645)
Accounts Payable & Accrued Liabilities	765,081	33,193	24,500
Deposits	-	-	-
Accrued Salary, Compensated absences and OPEB	116,570	25,569	205,095
	<u>5,005,920</u>	<u>375,583</u>	<u>1,306,334</u>
<b>Cash provided by (used for) operating activities</b>			
<b>Cash flows from noncapital financing activities</b>			
Intergovernmental Revenue	11,633	-	-
(Payment) Receipt on Interfund Loan	-	-	-
Transfers-in	-	-	108,800
Transfers-out	(49,800)	-	(470,004)
	<u>(38,167)</u>	<u>-</u>	<u>(361,204)</u>
<b>Cash provided by (used for) noncapital financing activities</b>			
<b>Cash flows from capital &amp; related financing activities</b>			
Proceeds from issuance of debt	-	-	-
Proceeds from special assessment	-	-	-
Acquisition & Construction of Capital Assets, net of proceeds	(10,333,802)	2	(1,368,512)
Proceeds from sale of property, plant, equipment	-	-	-
Principal paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	-
Bond fees and costs	-	-	-
Interest paid on Revenue Bonds, Note Maturities & Capital Lease	-	-	-
Principal received on Notes Receivable	-	-	-
Prepayments made on Revenue Bonds	-	-	-
	<u>(10,333,802)</u>	<u>2</u>	<u>(1,368,512)</u>
<b>Cash provided by (used for) capital &amp; related financing activities</b>			
<b>Cash flows from operating activities</b>			
Purchase, Sale and Maturities of Investments, net	6,919,762	(1,000,496)	(274,302)
Interest received on investments	176,592	23,190	136,076
	<u>7,096,354</u>	<u>(977,306)</u>	<u>(138,226)</u>
<b>Cash provided by (used for) investing activities</b>			
<b>Net increase (decrease) in cash</b>	1,730,305	(601,721)	(561,608)
<b>Cash at beginning of year</b>	1,489,707	1,227,293	3,815,257
<b>Cash at year end</b>	<u>\$ 3,220,012</u>	<u>\$ 625,572</u>	<u>\$ 3,253,649</u>
<b>Non-cash Investing, Capital, and Financing Activities</b>			
Contributions of Capital Assets (to)/from Other Funds	729	-	(272)
Interest Receivable	-	-	-
Change in Fair Value of Investments	(120,293)	13,660	(88,300)
Capitalized interest	-	-	-
<b>Total</b>	<u>\$ (119,564)</u>	<u>\$ 13,660</u>	<u>\$ (88,572)</u>
<b>Cash flows from operating activities</b>			
Cash received from customers and users	\$ 20,775,244	\$ 2,684,702	\$ 11,240,410
Cash payments for interfund services provided	(2,077,873)	(503,104)	(1,510,545)
Cash payments to vendors for goods & services	(9,738,625)	(886,314)	(3,279,814)
Cash payments to employees for services	(3,952,826)	(919,701)	(5,143,717)
<b>Cash provided by (used for) operating activities</b>	<u>\$ 5,005,920</u>	<u>\$ 375,583</u>	<u>\$ 1,306,334</u>

See accompanying Independent Auditor's Report

<u>Billings &amp; Collections</u>	<u>Consolidated Inventory</u>	<u>Insurance</u>	<u>TOTAL</u>
\$ (228,612)	\$ (108,072)	\$ (3,097,031)	\$ (4,911,444)
15,354	108,706	27	5,864,997
-	-	-	-
128,954	(48,437)	884,898	1,863,742
-	-	-	-
(67,720)	866	640,037	575,375
-	18,488	-	372,617
(330,911)	(124,551)	(104,406)	262,906
419,913	-	-	419,913
<u>188,335</u>	<u>14,079</u>	<u>2,019,724</u>	<u>2,569,372</u>
<u>125,313</u>	<u>(138,921)</u>	<u>343,249</u>	<u>7,017,478</u>
226,421	-	(3,640)	234,414
-	-	-	-
-	-	-	108,800
<u>-</u>	<u>-</u>	<u>-</u>	<u>(519,804)</u>
<u>226,421</u>	<u>-</u>	<u>(3,640)</u>	<u>(176,590)</u>
-	-	-	-
-	-	-	-
(2,297)	-	1	(11,704,608)
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>(2,297)</u>	<u>-</u>	<u>1</u>	<u>(11,704,608)</u>
(11,379)	-	(2,593,045)	3,040,540
<u>94,701</u>	<u>132</u>	<u>561,436</u>	<u>992,127</u>
<u>83,322</u>	<u>132</u>	<u>(2,031,609)</u>	<u>4,032,667</u>
432,759	(138,789)	(1,691,999)	(831,053)
<u>729,256</u>	<u>543,946</u>	<u>5,426,076</u>	<u>13,231,535</u>
<u>\$ 1,162,015</u>	<u>\$ 405,157</u>	<u>\$ 3,734,077</u>	<u>\$ 12,400,482</u>
-	-	-	457
-	-	-	-
12,839	-	(42,384)	(224,478)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 12,839</u>	<u>\$ -</u>	<u>\$ (42,384)</u>	<u>\$ (224,021)</u>
\$ 8,552,523	\$ 492,232	\$ 48,840,706	\$ 92,585,817
(2,152,758)	(125,261)	(279,183)	(6,648,724)
(1,652,120)	(187,187)	(49,067,035)	(64,811,095)
<u>(4,622,332)</u>	<u>(318,705)</u>	<u>848,761</u>	<u>(14,108,520)</u>
<u>\$ 125,313</u>	<u>\$ (138,921)</u>	<u>\$ 343,249</u>	<u>\$ 7,017,478</u>

**City of St. Petersburg, Florida**

## **AGENCY FUNDS**

**City of St. Petersburg, Florida**  
*Statement of Changes in Assets and Liabilities*  
*Agency Fund*  
*Fiscal Year Ended September 30, 2012*

	<u>Balance 9-30-</u> <u>2011</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance 9-30-</u> <u>2012</u>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 80,124	65,654,087	65,668,989	\$ 65,222
Accounts Receivable	5,195	6,499	5,185	6,509
Prepays and Deposits	1,500	-	1,500	-
<b>Total Assets</b>	<u><u>\$ 86,819</u></u>	<u><u>65,660,586</u></u>	<u><u>65,675,674</u></u>	<u><u>\$ 71,731</u></u>
<b>Liabilities</b>				
Accounts Payable	\$ 59,879	19,255,497	19,314,831	\$ 545
Due to Other Entities and Individuals	11,737	38,928	38,087	12,578
Due to Other Governmental Agencies	15,014	46,362,597	46,319,307	58,304
Uncashed Checks	189	3,564	3,449	304
<b>Total Liabilities</b>	<u><u>\$ 86,819</u></u>	<u><u>65,660,586</u></u>	<u><u>65,675,674</u></u>	<u><u>\$ 71,731</u></u>

See accompanying Independent Auditor's Report.



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### **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. Statement users will find a footnote page located at the end of each of the five sections.



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**FINANCIAL  
TRENDS  
INFORMATION**



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**City of St. Petersburg, Florida**  
*Net Position By Component*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	Fiscal Years									
	<u>2012 (1)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
<b>Governmental Activities</b>										
Invested in capital assets, net of related debt	\$ 338,624,957	\$ 383,738,567	\$ 317,722,669	\$ 486,163,709	\$ 462,033,885	\$ 445,400,415	\$ 412,822,949	\$ 389,110,832	\$ 357,087,033	\$ 344,966,241
Restricted	30,810,901	33,416,322	76,621,163	77,543,670	78,911,966	74,066,881	67,084,917	58,418,792	57,334,167	67,964,593
Unrestricted	147,593,223	101,165,653	140,355,385	146,956,415	146,123,014	152,565,974	135,247,000	125,039,737	129,038,061	118,550,571
<b>Total Governmental Activities Net Position</b>	<u>517,029,081</u>	<u>518,320,542</u>	<u>534,699,217</u>	<u>710,663,794</u>	<u>687,068,865</u>	<u>672,033,270</u>	<u>615,154,866</u>	<u>572,569,361</u>	<u>543,459,261</u>	<u>531,481,405</u>
<b>Business-type Activities</b>										
Invested in capital assets, net of related debt	559,430,846	586,110,679	597,824,125	418,716,027	414,580,883	424,360,124	410,673,072	374,879,336	381,483,389	366,763,704
Restricted	59,285,133	74,999,653	37,812,908	5,681,189	770,058	1,150,098	1,144,952	6,514,493	32,485,639	39,492,674
Unrestricted	108,194,112	88,937,520	133,860,070	166,804,172	167,802,418	165,978,130	161,521,964	175,090,750	143,651,311	151,762,606
<b>Total Business-type Activities Net Position</b>	<u>726,910,091</u>	<u>750,047,852</u>	<u>769,497,103</u>	<u>591,201,388</u>	<u>583,153,359</u>	<u>591,488,352</u>	<u>573,339,988</u>	<u>556,484,579</u>	<u>557,620,339</u>	<u>558,018,984</u>
<b>Primary Government</b>										
Invested in capital assets, net of related debt	898,055,803	969,849,246	915,546,794	904,879,736	876,614,768	869,760,539	823,496,021	763,990,168	738,570,422	711,729,945
Restricted	90,096,034	108,415,975	114,434,071	83,224,859	79,682,024	75,216,979	68,229,869	64,933,285	89,819,806	107,457,267
Unrestricted	255,787,335	190,103,173	274,215,455	313,760,587	313,925,432	318,544,104	296,768,964	300,130,487	272,689,372	270,313,177
<b>Total Primary Government Net Position</b>	<u>\$ 1,243,939,172</u>	<u>\$ 1,268,368,394</u>	<u>\$ 1,304,196,320</u>	<u>\$ 1,301,865,182</u>	<u>\$ 1,270,222,224</u>	<u>\$ 1,263,521,622</u>	<u>\$ 1,188,494,854</u>	<u>\$ 1,129,053,940</u>	<u>\$ 1,101,079,600</u>	<u>\$ 1,089,500,389</u>

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

Fiscal Years

	2012 (1)	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>Expenses</b>										
<b>Government Activities:</b>										
General Government	\$ 27,484,912	\$ 39,973,559	\$ 38,178,164	\$ 39,635,505	\$ 39,875,230	\$ 41,846,271	\$ 38,890,280	\$ 35,376,425	\$ 37,975,633	\$ 28,364,522
Community and Economic Development	17,878,776	27,654,061	23,392,593	23,212,864	25,337,893	24,454,618	23,118,591	23,753,079	34,300,303	28,537,792
Police	93,275,050	96,398,855	91,135,117	90,646,089	91,691,477	83,774,953	76,624,860	79,183,547	72,308,128	68,549,362
Fire and EMS	47,472,803	47,592,465	47,954,869	48,384,025	47,643,841	44,344,707	40,308,068	41,361,870	36,886,922	34,953,813
Public Works	33,931,921	25,077,637	16,208,520	21,501,313	21,884,510	17,180,146	16,736,533	15,319,318	17,650,801	16,877,927
Recreation and Culture	52,601,786	46,604,748	44,972,705	61,884,711	61,549,149	61,378,929	56,989,140	55,947,069	53,793,570	54,722,266
Securities Lending	-	-	-	-	-	-	-	-	-	526,791
Interest on Long-Term Debt	3,607,747	5,033,700	5,623,196	6,428,023	7,460,824	8,089,351	8,460,750	9,934,466	10,051,528	11,329,106
<b>Total Governmental Activities Expenses</b>	<b>276,252,995</b>	<b>290,335,025</b>	<b>267,465,164</b>	<b>291,692,530</b>	<b>295,442,924</b>	<b>281,068,975</b>	<b>261,128,222</b>	<b>260,875,774</b>	<b>262,966,885</b>	<b>243,861,579</b>
<b>Business-type Activities:</b>										
Water and Waste Water Utility	104,932,909	104,704,408	98,015,537	95,655,633	99,136,630	93,026,863	92,372,926	83,236,468	78,800,617	77,400,076
Stormwater Utility	14,890,554	13,542,653	14,062,820	13,638,448	14,169,266	12,042,379	10,557,972	9,362,330	9,218,169	8,699,445
Sanitation	37,460,953	38,102,702	37,707,634	36,910,607	38,062,985	36,332,211	37,011,688	36,395,779	35,391,213	35,106,765
Tropicana Field	7,088,308	6,820,058	6,358,385	-	-	-	-	-	-	-
Airport	1,072,295	1,417,940	1,294,662	1,388,716	1,221,822	1,257,148	1,179,348	1,053,778	1,064,015	883,837
Port	1,114,952	1,532,136	1,094,820	987,025	885,491	885,491	951,354	1,193,374	945,637	845,568
Marina	3,539,546	3,570,871	2,525,854	2,354,034	2,263,363	2,193,051	2,089,725	1,629,348	1,433,004	1,190,529
Golf Courses	4,038,963	4,145,459	3,852,204	4,250,100	4,287,233	4,141,596	4,024,632	3,708,876	3,468,913	3,527,100
Jamestown Complex	466,272	640,723	649,880	645,127	602,778	514,301	491,610	496,480	471,448	500,761
Parking	4,461,800	4,631,050	4,441,013	-	-	-	-	-	-	-
Mahaffey	5,675,106	5,594,814	5,318,367	-	-	-	-	-	-	-
Pier	5,756,027	5,488,667	3,317,370	-	-	-	-	-	-	-
Coliseum	918,823	1,005,036	952,007	-	-	-	-	-	-	-
Sunken Gardens	1,158,972	1,159,590	1,113,125	-	-	-	-	-	-	-
Securities Lending	-	-	-	-	-	-	-	-	-	1,041,376
<b>Total Business-type Activities</b>	<b>192,575,480</b>	<b>192,356,107</b>	<b>180,703,678</b>	<b>155,829,690</b>	<b>160,629,568</b>	<b>150,458,903</b>	<b>148,663,297</b>	<b>137,076,433</b>	<b>130,793,016</b>	<b>129,195,457</b>
<b>Total Primary Government Expenses</b>	<b>468,828,475</b>	<b>482,691,132</b>	<b>448,168,842</b>	<b>447,522,220</b>	<b>456,072,492</b>	<b>431,527,878</b>	<b>409,791,519</b>	<b>397,952,207</b>	<b>393,759,901</b>	<b>373,057,036</b>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services:										
General Government	19,998,376	21,909,825	18,867,174	19,817,671	18,195,945	17,644,627	16,757,687	16,067,460	20,509,651	17,205,753
Community and Economic Development	6,698,963	5,064,441	4,746,494	4,754,650	5,032,048	7,602,790	8,254,079	7,121,735	8,006,795	8,987,082
Police	5,783,656	3,942,075	2,798,285	4,167,737	3,993,556	3,993,232	3,532,681	3,080,544	4,247,812	3,369,596
Fire and EMS	13,063,380	13,146,937	13,323,610	15,053,402	14,266,708	12,325,081	11,696,836	11,885,366	10,700,064	10,362,783
Public Works	730,562	262,034	611,424	5,812,897	4,254,239	4,424,262	4,988,787	4,659,403	7,104,811	4,258,758
Recreation and Culture	7,109,628	6,866,414	5,942,323	13,172,302	13,132,583	12,840,473	10,640,191	11,269,812	12,598,356	10,355,083
Securities Lending	-	-	-	-	-	-	-	-	-	581,106
Operating Grants and Contributions	6,037,740	7,458,717	6,525,944	13,086,817	22,056,970	14,343,545	11,115,500	12,755,621	13,667,783	7,086,031
Capital Grants and Contributions	9,906,530	13,840,226	18,355,946	6,389,691	5,548,409	4,814,062	2,466,886	1,767,840	443,237	7,592,638
<b>Total Governmental Activities Program Revenues</b>	<b>69,328,835</b>	<b>72,490,669</b>	<b>71,171,200</b>	<b>82,255,167</b>	<b>86,424,458</b>	<b>77,988,072</b>	<b>69,452,647</b>	<b>68,607,781</b>	<b>77,278,509</b>	<b>69,798,830</b>
<b>Business-type Activities:</b>										
Water and Waste Water Utility	101,175,434	95,754,184	89,685,100	90,109,001	91,344,531	90,669,563	91,037,459	86,836,114	81,116,884	73,542,008
Stormwater Utility	11,642,112	12,182,306	12,275,998	11,992,634	11,777,411	11,264,087	10,701,022	10,454,575	8,630,106	8,827,933
Sanitation	39,835,630	39,524,555	39,910,352	40,089,897	39,773,147	39,180,737	36,838,448	30,921,254	30,342,320	29,904,633
Tropicana Field	1,436,634	1,421,744	1,631,382	-	-	-	-	-	-	-
Airport	989,405	996,722	941,184	894,795	838,887	733,415	746,510	684,057	673,595	653,417
Port	206,372	185,026	182,920	189,581	156,747	128,198	329,801	731,059	471,486	342,094
Marina	3,351,961	3,253,788	2,765,619	2,760,434	2,720,224	2,197,556	2,069,414	2,083,301	1,958,530	1,689,114
Golf Courses	3,663,158	3,462,240	3,272,289	3,719,800	3,937,482	3,990,204	3,870,667	3,628,771	3,333,957	3,224,252
Jamestown Complex	388,540	526,014	503,500	510,024	442,585	449,820	484,256	466,883	471,388	400,632
Parking	5,671,961	4,919,124	4,508,906	-	-	-	-	-	-	-
Mahaffey	2,979,981	2,220,446	2,513,252	-	-	-	-	-	-	-
Pier	946,158	989,196	1,212,985	-	-	-	-	-	-	-
Coliseum	544,769	559,190	502,147	-	-	-	-	-	-	-
Sunken Gardens	761,578	647,923	605,338	-	-	-	-	-	-	-
Securities Lending	-	-	-	-	-	-	-	-	-	1,148,282
Operating Grants and Contributions	1,294,996	669,447	1,464,498	1,324,016	1,415,362	328,423	275,111	2,803,156	232,004	282,888
Capital Grants and Contributions	3,668,781	7,343,376	5,547,370	12,866,193	2,851,376	9,956,901	9,393,461	2,635,519	4,374,098	3,028,896
<b>Total Business-type Activities Program Revenues</b>	<b>178,557,470</b>	<b>174,655,281</b>	<b>167,522,840</b>	<b>164,456,375</b>	<b>155,257,752</b>	<b>158,898,904</b>	<b>155,746,149</b>	<b>141,244,689</b>	<b>131,604,368</b>	<b>123,044,149</b>
<b>Total Primary Government Program Revenues</b>	<b>\$ 247,886,305</b>	<b>\$ 247,145,950</b>	<b>\$ 238,694,040</b>	<b>\$ 246,711,542</b>	<b>\$ 241,682,210</b>	<b>\$ 236,886,976</b>	<b>\$ 225,198,796</b>	<b>\$ 209,852,470</b>	<b>\$ 208,882,877</b>	<b>\$ 192,842,979</b>
<b>Net (Expense) Revenue</b>										
Government Activities	\$ (206,924,160)	\$ (217,844,356)	\$ (196,293,964)	\$ (209,437,363)	\$ (209,018,466)	\$ (203,080,903)	\$ (191,675,575)	\$ (192,267,993)	\$ (185,688,376)	\$ (174,062,749)
Business-type Activities	(14,018,010)	(17,700,826)	(13,180,838)	8,626,685	(5,371,816)	8,440,001	7,082,852	4,168,256	811,352	(6,151,308)
<b>Total Primary Government Program Revenues</b>	<b>\$ (220,942,170)</b>	<b>\$ (235,545,182)</b>	<b>\$ (209,474,802)</b>	<b>\$ (200,810,678)</b>	<b>\$ (214,390,282)</b>	<b>\$ (194,640,902)</b>	<b>\$ (184,592,723)</b>	<b>\$ (188,099,737)</b>	<b>\$ (184,877,024)</b>	<b>\$ (180,214,057)</b>

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

	Fiscal Years									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Revenues and Other Changes in Net Position										
Government Activities:										
Taxes										
Property Tax, Levied for general purposes	\$ 70,322,445	\$ 75,037,770	\$ 83,484,249	\$ 95,140,129	\$ 101,569,442	\$ 104,354,856	\$ 92,136,696	\$ 81,667,102	\$ 74,134,498	\$ 68,788,334
Utility Tax	36,341,523	38,203,614	39,407,409	37,438,505	38,636,701	36,637,290	36,770,897	34,812,250	33,857,531	34,615,522
Sales Tax	33,969,987	32,533,447	32,718,456	34,872,632	38,131,480	40,416,701	41,725,643	40,841,613	37,709,241	36,338,271
State Tax Revenue Sharing	7,521,597	7,463,366	7,433,838	7,418,031	8,397,333	9,101,029	9,318,220	9,126,466	7,622,851	6,450,029
Franchise Tax	19,660,729	20,506,108	22,159,989	21,014,619	18,922,607	19,245,686	19,159,164	16,411,585	14,774,824	14,279,145
Tourist Development Tax	5,864,763	4,977,610	4,502,390	4,691,881	5,068,347	5,078,252	4,641,156	4,511,048	4,299,076	4,014,185
Occupational Tax	2,409,291	2,407,083	2,405,903	2,596,245	2,950,446	3,048,712	2,987,101	2,949,360	2,819,278	2,765,429
Gasoline Tax	3,235,960	3,173,633	3,274,266	3,510,104	3,553,451	2,478,846	2,568,901	2,582,145	2,529,289	2,241,354
Tax Increment	3,423,906	3,779,258	3,986,213	4,535,832	4,139,159	3,888,186	3,539,967	2,938,052	3,041,209	2,749,353
Miscellaneous Taxes	638,497	421,329	498,733	514,170	219,076	384,168	392,397	340,379	278,622	222,800
Earnings on Unrestricted Investments	6,312,386	4,061,012	7,817,651	10,601,682	6,719,628	20,213,349	13,271,909	6,227,164	4,796,932	4,680,411
Unrealized Loss on Securities Lending	-	-	-	-	(7,379,813)	-	-	-	-	-
Gain (Loss) on Sale of Capital Assets	387,657	315,113	(4,252,521)	291,919	179,223	2,087,404	73,257	3,081,430	(68,363)	166,180
Rentals	-	-	-	-	-	-	-	-	-	1,933,040
Miscellaneous Income	5,499,021	1,746,660	2,177,947	549,947	2,553,459	4,935,986	2,792,709	4,268,918	3,262,161	1,699,511
Transfers	7,545,359	6,839,678	4,145,418	9,856,596	6,256,701	8,088,842	4,883,063	11,620,581	8,609,083	9,555,087
<b>Total Governmental Activities</b>	<b>203,133,121</b>	<b>201,465,681</b>	<b>209,759,941</b>	<b>233,032,292</b>	<b>229,917,240</b>	<b>259,959,307</b>	<b>234,261,080</b>	<b>221,378,093</b>	<b>197,666,232</b>	<b>190,498,651</b>
Business-type Activities:										
Earnings on Unrestricted Investments	4,360,754	3,294,385	6,378,443	8,471,940	9,429,294	15,737,207	13,663,598	5,242,096	5,156,001	5,917,740
Unrealized Loss on Securities Lending	-	-	-	-	(6,925,399)	-	-	-	-	-
Gain (Loss) on Sale of Capital Assets	45,629	457,340	(612,929)	506,090	427,025	1,157,530	315,042	537,138	1,800,911	587,389
Miscellaneous Income	1,073,881	1,339,528	425,903	299,910	362,604	902,468	676,980	537,331	442,174	251,544
Transfers	(7,545,359)	(6,839,678)	(4,145,418)	(9,856,596)	(6,256,701)	(8,088,842)	(4,883,063)	(11,620,581)	(8,609,083)	(9,555,087)
<b>Total Business-type Activities</b>	<b>(2,065,095)</b>	<b>(1,748,425)</b>	<b>2,045,999</b>	<b>(578,656)</b>	<b>(2,963,177)</b>	<b>9,708,363</b>	<b>9,772,557</b>	<b>(5,304,016)</b>	<b>(1,209,997)</b>	<b>(2,798,414)</b>
<b>Total Primary Government</b>	<b>\$ 198,338,513</b>	<b>\$ 199,717,256</b>	<b>\$ 211,805,940</b>	<b>\$ 232,453,636</b>	<b>\$ 226,954,063</b>	<b>\$ 269,667,670</b>	<b>\$ 244,033,637</b>	<b>\$ 216,074,077</b>	<b>\$ 196,456,235</b>	<b>\$ 187,700,237</b>
Change in Net Position										
Governmental Activities	\$ (3,791,039)	\$ (16,378,675)	\$ 13,465,977	\$ 23,594,929	\$ 20,898,774	\$ 56,878,404	\$ 42,585,505	\$ 29,110,100	\$ 11,977,856	\$ 16,435,902
Business-type Activities	(16,083,105)	(19,449,251)	(11,134,839)	8,048,029	(8,334,993)	18,148,364	16,855,409	(1,135,760)	(398,645)	(8,949,722)
<b>Total Primary Government</b>	<b>\$ (19,874,144)</b>	<b>\$ (35,827,926)</b>	<b>\$ 2,331,138</b>	<b>\$ 31,642,958</b>	<b>\$ 12,563,781</b>	<b>\$ 75,026,768</b>	<b>\$ 59,440,914</b>	<b>\$ 27,974,340</b>	<b>\$ 11,579,211</b>	<b>\$ 7,486,180</b>

**City of St. Petersburg, Florida**  
**Fund Balances, Governmental Funds <sup>(1)</sup>**  
**Last Ten Fiscal Years**  
**(Modified Accrual Basis of Accounting)**

	Fiscal Years									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund (1)										
Non-Spendable	\$ 4,111,920	\$ 38,252	\$ 63,585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	26,346,101	25,192,252	28,889,692	-	-	-	-	-	-	-
Assigned	-	-	637,073	-	-	-	-	-	-	-
Unassigned	7,891,145	17,104,887	23,849,003	-	-	-	-	-	-	-
Reserved	-	-	-	726,875	601,991	444,822	773,107	909,925	773,508	1,102,722
Unreserved	-	-	-	42,629,314	38,569,059	41,285,817	34,205,128	30,968,390	31,729,934	32,000,460
Total General Fund Balance	<u>38,349,166</u>	<u>42,335,391</u>	<u>53,439,353</u>	<u>43,356,189</u>	<u>39,171,050</u>	<u>41,730,639</u>	<u>34,978,235</u>	<u>31,878,315</u>	<u>32,503,442</u>	<u>33,103,182</u>
All Other Governmental Funds (1)										
Non-Spendable	\$ 374,190	\$ 10,061,295	353,792	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	72,439,841	62,821,368	75,600,147	-	-	-	-	-	-	-
Committed	11,345,489	11,527,129	16,871,883	-	-	-	-	-	-	-
Assigned	23,197,034	24,023,804	18,848,659	-	-	-	-	-	-	-
Unassigned	(344,463)	-	-	-	-	-	-	-	-	-
Reserved, Reported In:										
All Other Governmental Funds	-	-	-	18,927,131	9,128,393	13,634,080	6,686,121	16,100,593	18,893,064	11,703,198
Debt Service Funds	-	-	-	-	20,713,149	14,141,654	14,015,143	13,652,882	13,322,669	14,162,627
Unreserved, Reported In:										
Special Revenue Funds	-	-	-	59,568,462	62,201,246	55,045,228	51,125,420	44,510,034	42,346,600	45,766,457
Capital Projects Funds	-	-	-	56,805,379	55,876,096	52,946,558	58,905,177	53,568,320	42,709,897	45,814,792
Total of All Other Governmental Funds	<u>\$ 107,012,091</u>	<u>\$ 108,433,596</u>	<u>\$ 111,674,481</u>	<u>\$ 135,300,972</u>	<u>\$ 147,918,884</u>	<u>\$ 135,767,520</u>	<u>\$ 130,731,861</u>	<u>\$ 127,831,829</u>	<u>\$ 117,272,230</u>	<u>\$ 117,447,074</u>

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

	Fiscal Years									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
<b>REVENUES</b>										
Taxes	\$ 128,860,700	\$ 136,458,686	\$ 147,761,661	\$ 157,384,734	\$ 160,149,026	\$ 163,286,544	\$ 151,053,858	\$ 135,840,296	\$ 125,586,128	\$ 120,448,430
Licenses and Permits	3,847,454	3,278,469	3,170,105	3,020,012	3,104,501	5,336,083	6,073,723	5,296,169	4,705,897	4,048,944
Fines and Forfeitures	4,035,054	1,937,642	2,520,494	3,395,352	3,067,700	3,734,636	3,602,615	3,231,708	3,492,875	3,219,749
Charges for Services and User Fees	23,455,886	23,276,204	20,135,780	33,164,416	31,072,698	29,293,293	26,578,202	27,039,113	29,692,335	25,387,822
Charges for General Administration	9,306,012	9,403,380	8,724,084	8,809,572	7,668,000	7,500,026	6,941,316	6,606,010	6,501,008	6,164,016
Intergovernmental Revenue										
Federal, State and Other Grants	15,907,052	20,260,984	24,311,766	16,688,588	24,975,131	16,817,918	8,898,663	9,286,496	10,052,088	11,518,541
State - Sales Tax	14,975,121	14,347,797	13,870,492	14,043,313	15,293,018	16,081,855	16,822,847	16,585,300	15,801,903	15,606,672
State - Revenue Sharing	7,521,597	7,463,366	7,433,838	7,418,031	8,397,333	9,101,029	3,125,820	3,125,820	3,125,820	3,125,820
State - Housing Improvement Program	-	-	-	2,113,444	1,956,626	686,226	2,346,040	2,516,001	2,978,204	1,991,231
State - Other (1)	638,497	421,329	498,733	514,170	412,748	577,155	6,715,602	6,503,905	4,953,205	3,781,138
Pinellas County - Gasoline Tax	3,235,960	3,173,633	3,274,266	3,510,104	3,359,779	2,285,019	2,367,937	2,390,990	2,351,740	2,241,354
Pinellas County - Sales Tax	18,994,866	18,185,650	18,847,964	20,829,319	22,838,462	24,334,846	24,902,796	24,256,313	21,907,338	20,731,599
Pinellas County - Tourist Development	5,864,763	4,977,610	4,502,390	4,691,881	5,068,347	5,078,252	4,641,156	4,511,048	4,299,076	4,014,185
Pinellas County - Tax Increment	3,423,906	3,779,258	3,986,213	4,535,832	4,139,159	3,888,186	3,539,967	2,938,052	3,041,209	2,749,353
Pinellas County - Pedestrian Improvement Program	-	-	-	-	35,017	840	70,158	28,276	132,411	-
Total	70,561,762	72,609,627	76,725,662	74,344,682	86,475,620	78,851,326	73,430,986	72,142,201	68,642,994	65,759,893
Use of Money and Property										
Earnings on Investments	4,834,660	1,379,053	5,342,106	6,849,689	2,229,862	11,105,559	6,899,894	4,073,443	3,412,251	3,261,157
Other Interest Revenue (2)	-	-	-	-	-	-	27,470	86,219	111,855	57,280
Securities Lending	-	-	-	-	1,690,777	3,552,684	2,611,489	1,374,992	589,269	410,836
Securities Lending Unrealized Loss	-	-	-	-	(5,082,715)	-	-	-	-	-
Interest on Assessments	-	-	-	-	26,393	34,158	18,477	49,601	19,325	81,367
Rentals	411,250	400,759	358,830	2,920,852	3,064,408	2,633,273	2,704,482	2,443,678	2,212,377	1,933,040
Total	5,245,910	1,779,812	5,700,936	9,770,541	1,928,725	13,225,674	12,261,812	8,027,933	6,345,077	5,743,680
Miscellaneous										
Contributions	477,021	573,839	410,630	637,117	638,606	945,533	1,127,690	2,557,812	934,725	1,264,827
Assessments	605,383	500,686	615,887	190,434	347,144	1,312,162	767,662	1,031,694	795,687	1,671,659
Dispositions of Property	502,051	184,054	193,110	439,319	349,319	4,379,105	2,598,908	2,884,548	2,583,234	390,155
Other (3)	1,108,970	1,007,961	1,284,992	1,763,629	2,523,788	2,912,902	4,187,106	4,478,609	2,875,682	2,697,186
Total	2,693,425	3,076,707	2,495,563	2,784,290	3,858,857	9,549,702	8,681,366	10,952,663	7,189,326	6,023,827
<b>TOTAL REVENUES</b>	<b>248,006,203</b>	<b>251,820,527</b>	<b>267,234,285</b>	<b>292,673,599</b>	<b>297,324,497</b>	<b>314,877,284</b>	<b>288,623,878</b>	<b>269,136,093</b>	<b>252,155,642</b>	<b>236,796,361</b>
<b>EXPENDITURES</b>										
<b>Current Operations</b>										
General Government	14,672,753	24,762,918	25,080,033	26,426,476	25,084,845	27,199,609	25,835,810	23,994,466	23,869,598	15,972,750
Community and Economic Development	15,026,177	25,067,222	28,008,570	24,238,780	22,973,120	23,756,210	21,198,580	23,692,898	23,050,239	26,556,085
Public Works	22,168,371	15,552,740	7,796,719	11,028,172	13,548,520	9,094,467	9,593,057	8,743,948	11,929,343	10,546,966
Public Safety										
Police	88,866,403	88,749,665	86,082,228	85,362,695	86,025,521	82,001,529	76,280,753	75,628,391	71,794,046	66,733,824
Fire and EMS	44,246,454	44,445,246	44,496,378	44,734,932	44,336,345	43,123,890	40,130,075	39,589,073	36,498,615	34,042,426
Recreation and Culture	42,767,519	37,509,444	37,137,303	48,138,462	47,854,805	49,989,056	45,909,738	45,128,432	44,117,802	43,946,354
Securities Lending										
Interest	-	-	-	-	1,547,237	3,492,820	2,536,216	1,304,417	542,699	343,755
Agent Fees	-	-	-	-	52,156	38,721	30,109	28,302	27,832	-
Debt Service										
Principal Payments (5)	38,675,000	15,831,000	17,766,000	18,396,000	46,015,000	19,575,000	22,645,000	18,500,000	16,255,000	16,335,000
Interest Payments (5)	4,066,808	5,078,422	5,908,465	6,581,709	7,084,571	7,712,335	8,124,546	8,009,186	8,302,433	9,101,445
Remarketing and Other Fees	62,259	49,478	9,792	18,610	72,269	85,851	64,124	44,724	139,818	-
Bond Costs	-	-	-	-	45,123	-	54,124	97,052	1,438,986	-
Capital Outlay (4)	18,980,589	25,123,339	33,543,128	39,466,363	42,092,824	45,942,390	47,683,621	42,631,159	27,871,343	28,670,224
<b>TOTAL EXPENDITURES</b>	<b>289,532,333</b>	<b>282,169,474</b>	<b>285,828,616</b>	<b>304,392,199</b>	<b>336,732,336</b>	<b>312,011,878</b>	<b>300,085,753</b>	<b>287,395,213</b>	<b>265,735,429</b>	<b>252,416,479</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(41,526,130)</b>	<b>(30,348,947)</b>	<b>(18,594,331)</b>	<b>(11,718,600)</b>	<b>(39,407,839)</b>	<b>2,865,406</b>	<b>(11,461,875)</b>	<b>(18,259,120)</b>	<b>(13,579,787)</b>	<b>(15,620,118)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers In	64,147,101	49,047,267	58,561,938	157,436,302	159,788,626	150,103,149	152,281,342	142,887,785	147,442,013	140,971,259
Transfers Out	(52,507,768)	(37,563,167)	(50,273,848)	(145,154,910)	(143,640,576)	(141,180,493)	(142,412,660)	(131,221,193)	(135,117,459)	(123,597,765)
Loan Proceeds	-	-	-	-	23,856,000	-	-	-	-	-
Issuance of Debt	21,522,000	4,520,000	-	-	-	-	7,593,145	16,527,000	108,545,393	1,500,000
Payment to Escrow Agent	-	-	-	-	-	-	-	-	(108,064,744)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>33,161,333</b>	<b>16,004,100</b>	<b>8,288,090</b>	<b>12,281,392</b>	<b>40,004,050</b>	<b>8,922,656</b>	<b>17,461,827</b>	<b>28,193,592</b>	<b>12,805,203</b>	<b>18,873,494</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (8,364,797)</b>	<b>\$ (14,344,847)</b>	<b>(10,306,241)</b>	<b>\$ 562,792</b>	<b>\$ 596,211</b>	<b>\$ 11,788,062</b>	<b>\$ 5,999,952</b>	<b>\$ 9,934,472</b>	<b>\$ (774,584)</b>	<b>\$ 3,253,376</b>
Debt Services as % of Non-capital Expenditures (4)	15.66%	7.96%	9.35%	9.44%	20.85%	10.18%	12.82%	11.77%	11.61%	12.29%

**City of St. Petersburg, Florida**  
*Financial Trends Statistics - Footnotes*  
 September 30, 2012

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

<u>Statistic</u>	<u>Footnote Number</u>	
Net Position by Component	1	GASB's 62, 63 and 65 were implemented in 2012 and changes have not been restated for 2011 and prior years.
Changes in Net Position	1	GASB's 62, 63 and 65 were implemented in 2012 and changes have not been restated for 2011 and prior years.
Fund Balances: Governmental Funds	1	GASB 54 was implemented in 2010 and reflects new fund balance classifications for 2010. The new classifications have not been restated for 2009 and prior. GASB's 62, 63 and 65 were implemented in 2012 and changes have not been restated for 2011 and prior years.
Changes in Fund Balances - Governmental Funds	1	State-other revenue includes State shared revenue for alcoholic beverage tax, cigarette tax, fire fighter's supplemental comp. tax, fuel tax rebates, mobile home tax, and state aid to cities.
	2	Other interest revenue includes miscellaneous earnings on other investments.
	3	Other revenue includes parks and recreation other service charges, other prior year recoveries, short and over revenue, other licenses and permits, other capital recovery, other transportation service revenue and other miscellaneous revenues of minor dollar amounts.
	4	Debt service as a percent of Noncapital expenditures is calculated by dividing debt service by total expenditures net of capital outlay reported in the reconciliation on Page 58 of the CAFR.
	5	Includes refunding payments on all Sunshine State Government Finance Commission notes of \$21.9 million in 2008 and refunding payments on the Bank of America 2008A Non-Ad Valorem Revenue Note of \$21.5M in 2012.

**REVENUE**

**CAPACITY**

**INFORMATION**

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

<u>Fiscal Year</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Non Agricultural Property</u>	<u>Institutional Property</u>	<u>Government Property</u>	<u>Mobile Home Property</u>	<u>Other Property</u> (2)	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Value</u> (3)
2002-03	2002	9,780,456	1,855,587	293,855	1,219	672,672	800,840	604	233,912	4,833,294	8,805,851	7.14	10,359,825
2003-04	2003	11,285,005	1,967,940	318,532	5,620	711,733	1,007,943	5	144,388	5,750,497	9,660,669	7.09	11,365,493
2004-05	2004	12,816,625	2,179,517	357,154	6,805	783,710	1,112,104	402	133,717	6,586,958	10,803,076	7.09	12,709,501
2005-06	2005	15,230,443	2,532,931	398,332	6,265	782,167	1,293,602	50,024	170,462	7,877,510	12,586,716	6.95	14,807,901
2006-07	2006	19,314,388	2,910,620	475,306	9,753	923,930	1,535,914	58,824	215,642	10,288,303	15,156,074	6.60	17,830,675
2007-08	2007	20,393,461	3,059,415	525,455	1,859	973,415	1,632,279	69,259	220,502	10,331,656	16,543,988	5.91	19,463,515
2008-09	2008	18,782,403	3,133,542	574,514	1,791	993,442	1,702,431	60,612	218,278	10,009,077	15,457,936	5.91	18,185,807
2009-10	2009	15,156,061	3,163,397	535,144	6,257	1,082,935	1,120,945	50,388	195,115	7,898,324	13,411,918	5.91	15,778,727
2010-11	2010	12,917,788	2,754,488	472,884	5,837	1,134,502	1,013,896	50,474	185,215	6,589,005	11,946,078	5.91	14,054,209
2011-12	2011	11,787,282	2,601,792	429,076	4,779	1,106,711	966,869	48,291	140,285	5,930,993	11,154,092	5.91	13,122,461

**City of St. Petersburg, Florida**  
*Direct and Overlapping Property Tax Rates <sup>(1)</sup>*  
*Last Ten Fiscal Years*  
*In Mills, Per \$1,000 of Assessed Value*

City Of St.Petersburg Direct Rates			Overlapping Rates (2)				
General			Pinellas County				
Fiscal Year	Basic Rate	Total Direct Rate	County Board Rate	School Board Rate	EMS Rate	Others Districts Rate (3)	Suncoast Transit Authority Rate
2002-03	7.1400	7.1400	6.1410	8.4490	0.6600	1.6562	0.6319
2003-04	7.0900	7.0900	6.1410	8.2430	0.6600	1.6562	0.6319
2004-05	7.0900	7.0900	6.1410	8.1220	0.6600	1.6557	0.6377
2005-06	6.9500	6.9500	6.1410	8.3900	0.6600	1.6555	0.6377
2006-07	6.6000	6.6000	5.4700	8.2100	0.6300	1.6378	0.6074
2007-08	5.9125	5.9125	4.8730	7.7310	0.5832	1.5121	0.5601
2008-09	5.9125	5.9125	4.8730	8.0610	0.5832	1.5551	0.5601
2009-10	5.9125	5.9125	4.8730	8.3460	0.8506	1.5106	0.5601
2010-11	5.9125	5.9125	4.8730	8.3400	0.5832	1.4410	0.5601
2011-12	5.9125	5.9125	4.8730	8.3850	0.8506	1.2390	0.7305



**City of St. Petersburg, Florida**  
*Property Tax Levies and Collections* <sup>(1)</sup>  
*Last Ten Fiscal Years*

Fiscal Year	Tax Levied for the Fiscal Year (3)	Collected within the Fiscal Year of the Levy		Collections for Prior Years (2)	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy (2)
2002-03	70,935,636	70,751,501	99.74	194,534	70,946,035	100.01
2003-04	76,471,927	76,388,599	99.89	258,922	76,647,521	100.23
2004-05	84,336,077	84,271,997	99.92	266,864	84,538,861	100.24
2005-06	95,171,019	95,078,800	99.90	213,865	95,292,665	100.13
2006-07	107,596,506	103,976,171	96.64	208,340	104,184,511	96.83
2007-08	104,760,430	100,812,274	96.23	623,975	101,436,249	96.83
2008-09	98,287,212	94,785,536	96.43	325,592	95,111,128	96.77
2009-10	86,088,634	83,109,215	96.54	367,105	83,476,320	96.97
2010-11	77,259,092	74,570,330	96.52	462,888	75,033,218	97.12
2011-12	72,255,376	69,351,677	95.98	970,381	70,322,058	97.32

**City of St. Petersburg, Florida**  
**Revenue Capacity Statistics - Footnotes**  
**September 30, 2012**

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.

Statistic	Footnote Number	Source and/or Explanation of Information
Taxable Assessed Value and Estimated Actual Value of Property	1	Pinellas County Property Appraiser.
	2	Includes leasehold interest, miscellaneous and centrally assessed.
	3	Estimated actual value is calculated by dividing the total taxable assessed value by .85 (this value is net of exemptions).
<i>Additional information concerning property taxed is presented in the section titled Notes to Financial Statements on page 96 of the CAFR and includes Calendar of Property Tax Events, Tax Collections, and Tax Limitations per Florida Statutes.</i>		
Direct and Overlapping Property Tax Rates	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, Southwest Florida Water Management District, and Pinellas Anclote River Basin.
Principal Property Tax Payers	1	Pinellas County Property Appraiser. Total taxable assessed value for 2012 is \$12,220,784,811.
	2	Pinellas County Property Appraiser. Total taxable assessed value for 2003 is \$9,960,150,303.
Property Tax Levies and Collections	1	Pinellas County Property Appraiser.
	2	All delinquent tax collections received during the year are applied to the year prior to collection, regardless of the year in which the taxes were originally levied. Therefore, this may result in the Percentage of Levy in Total Collections to Date to be greater than 100%.
	3	Delinquent taxes by levy year are not available

**DEBT**

**CAPACITY**

**INFORMATION**

**City of St. Petersburg, Florida**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

GOVERNMENTAL ACTIVITIES (1)

Fiscal Year	General Non-ad Valorem Notes & Bonds	Public Improvement Revenue Bonds	Utility Tax Revenue Bonds	Pro Sports Facility Revenue Bonds	Excise Tax Revenue Bonds	Capital Improvement Revenue Bonds
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
2007	44,395,000	29,159,779	9,271,756	24,360,000	60,350,000	4,120,000
2008	39,946,000	24,077,211	5,250,000	23,410,000	54,825,000	2,455,000
2009	38,855,000	18,665,000	2,690,000	22,435,000	49,040,000	-
2010	36,729,000	12,770,000	-	21,445,000	42,975,000	-
2011	39,033,000	6,540,000	-	20,425,000	36,610,000	-
2012	36,155,000	-	-	19,375,000	29,925,000	-

BUSINESS-TYPE ACTIVITIES (1)

Fiscal Year	Water Resources Revenue Bonds and Notes	Stormwater Revenue Bonds	Airport Revenue Bonds	Golf Course Revenue Bonds	Golf Course Capitalized Leases	Marina Revenue Notes	Total Primary Government
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	-	150,000	-	399,897,419
2007	179,802,376	21,256,000	1,950,000	-	105,908	7,430,000	382,200,819
2008	175,585,602	21,180,000	1,580,000	-	56,059	7,055,000	355,419,872
2009	223,205,250	21,048,000	-	-	4,390	6,665,000	382,607,640
2010	218,575,075	20,910,000	-	-	-	6,260,000	359,664,075
2011	262,640,789	20,764,000	-	-	162,153	5,840,000	392,014,942
2012	261,989,489	20,614,000	-	-	116,021	5,405,000	373,579,510

Fiscal Year	Percentage of Total Taxable Assessed Value (2)	Per Capita	Property Tax Value (3)	Permanent Population (4)	Personal Income (thousands) of dollars (4)	Debt Per Income (5)
2003	0.0378	1,493.57	9,960,105,303	251,812	7,887,004	4.77 %
2004	0.0331	1,409.42	10,782,054,510	253,010	5,938,651	6.00 %
2005	0.0303	1,421.07	11,899,634,887	253,902	6,082,984	5.93 %
2006	0.0292	1,572.42	13,690,063,184	254,225	6,723,234	5.95 %
2007	0.0234	1,508.06	16,302,500,912	253,369	6,277,977	6.09 %
2008	0.0201	1,413.21	17,718,466,042	251,459	6,047,640	5.88 %
2009	0.0230	1,538.23	16,623,629,970	248,729	6,816,447	5.61 %
2010	0.0247	1,459.81	14,560,445,457	246,378	6,218,154	5.78 %
2011	0.0300	1,600.91	13,067,079,244	244,769	6,341,838	6.18 %
2012	0.0306	1,516.34	12,220,784,811	246,293	6,748,428	5.53 %

**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)
2003	-	-	-	0%	9,960,105,303
2004	-	-	-	0%	10,782,054,510
2005	-	-	-	0%	11,899,634,887
2006	-	-	-	0%	13,690,063,184
2007	-	-	-	0%	16,302,500,912
2008	-	-	-	0%	17,718,466,042
2009	-	-	-	0%	16,623,629,970
2010	-	-	-	0%	14,560,445,457
2011	-	-	-	0%	13,067,079,244
2012	-	-	-	0%	12,220,784,811

**City of St. Petersburg, Florida**  
*Direct and Overlapping Governmental Activities Debt*  
*As of September 30, 2012*

Governmental Unit	Debt Outstanding (1)	Estimated Percentage Applicable (2)	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Pinellas County School Board	\$ 24,760,000	26.82%	\$ 6,640,632
Subtotal, Overlapping Debt			6,640,632
City Direct Debt (3)			85,455,000
Total Direct and Overlapping Debt			\$ 92,095,632

**City of St. Petersburg, Florida**  
*Legal Debt Margin Information*  
*Last Five Fiscal Years*

Legal Debt Margin Calculation for Fiscal Year 2012

Taxable Assessed Value - January 1, 2012 (1)	\$ 12,220,784,811
Debt Limit - Percentage of Taxable Assess Value (2)	<u>0.125</u>
Legal Limitation for the Issuance of General Obligation Bonds	<u>1,527,598,101</u>
Amount of Debt Applicable to Debt Limit	-
Legal Debt Margin	<u>1,527,598,101</u>

	<u>2008</u>	<u>2009</u>	<u>Fiscal Year 2010</u>	<u>2011</u>	<u>2012</u>
Debt Limit	\$ 2,214,808,255	\$ 2,077,953,746	\$ 1,820,055,682	\$ 1,633,384,906	\$ 1,527,598,101
Total Net Debt Applicable to Limit	-	-	-	-	-
Legal Debt Margin	\$ <u>2,214,808,255</u>	\$ <u>2,077,953,746</u>	\$ <u>1,820,055,682</u>	\$ <u>1,633,384,906</u>	\$ <u>1,527,598,101</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%

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

Fiscal Year	Professional Sports Facility Sales Tax Bonds (2)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2008	2,023,092	950,000	966,675	1.06
2009	2,001,613	975,000	946,206	1.04
2010	2,000,779	990,000	922,244	1.05
2011	2,000,378	1,020,000	893,950	1.05
2012	2,000,185	1,050,000	861,588	1.05

Fiscal Year	Excise Tax Revenue Bonds (2)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2008	21,580,454	5,525,000	2,892,556	2.56
2009	19,866,941	5,785,000	2,622,497	2.36
2010	19,503,000	6,065,000	2,332,033	2.32
2011	20,471,075	6,365,000	2,021,282	2.44
2012	22,040,358	6,685,000	1,690,018	2.63

Fiscal Year	Public Improvement Revenue Bonds (2)			
	Revenue	Debt Service		Coverage
		Principal	Interest	
2008	8,505,271	5,540,000	933,250	1.31
2009	9,690,175	5,530,000	933,250	1.50
2010	8,564,270	5,895,000	785,875	1.28
2011	7,699,066	6,230,000	482,750	1.15
2012	8,145,733	6,540,000	163,500	1.22

Fiscal Year	Water Resources and Stormwater Revenue Bonds and Notes					
	Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2008	103,688,249	77,178,068	26,510,181	4,292,775	8,635,473	2.05
2009	103,496,464	75,516,673	27,979,791	4,592,352	9,041,995	2.05
2010	104,214,322	77,130,963	27,083,359	4,768,175	9,735,462	1.87
2011	110,232,019	79,970,009	30,262,010	5,460,286	11,455,732	1.79
2012	116,213,743	79,346,656	36,867,087	5,613,723	13,485,317	1.93

**City of St. Petersburg, Florida**  
*Debt Capacity Statistics - Footnotes*  
*September 30, 2012*

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

Statistic	Footnote Number	
Ratio of Outstanding Debt by Type	1	City of St. Petersburg 2012 Debt Supplement.
	2	Total primary government outstanding debt divided by Property tax value.
	3	Pinellas County Property Appraiser.
	4	City of St. Petersburg Economic Development Department.
	5	Total primary government outstanding debt divided by Personal Income
Ratio of Net General Bonded Debt Outstanding	1	Represents all funds held by Debt Service Funds less the amount provided for the payment of interest.
	2	Pinellas County Property Appraiser
Direct and Overlapping Governmental Activities Debt	1	Pinellas County School Board.
	2	City of St. Petersburg Economic Development Department. Total population for the City of St. Petersburg (246,293) divided by total population for Pinellas County (918,496).
	3	City of St. Petersburg 2012 Debt Supplement Page B-1, Gross Debt.
Legal Debt Margin Information	1	Pinellas County Property Appraiser.
	2	Florida Statutes.
Pledged-Revenue Coverage	1	Principal and interest amounts are from the City of St. Petersburg 2012 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 2012 Debt Supplement.

Additional information concerning property taxes is presented in the section titled Notes to Financial Statements on page 90 and includes Calendar of Property Tax Events, Tax Collections, and Tax Limitations per Florida Statutes.



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**DEMOGRAPHIC**

**AND**

**ECONOMIC**

**INFORMATION**

**City of St. Petersburg, Florida**  
*Demographic and Economic Statistics* <sup>(1)</sup>  
*Last Ten Fiscal Years*

<u>Fiscal Year</u>	<u>Permanent Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Unemployment Rate</u>
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
2007	253,369	6,277,977	24,778	41.4	3.4
2008	251,459	6,047,640	24,050	41.3	5.7
2009	248,729	6,816,447	27,405	42.4	9.6
2010	246,378	6,218,154	25,238	42.8	11.9
2011	244,769	6,341,838	25,909	41.6	10.7
2012	246,293	6,748,428	27,400	41.3	9.1

**City of St. Petersburg, Florida**  
*Principal Employers (1)(5)*  
*Current and Five Year's Prior (2)*

Employer	2012			2007		
	Employees	Rank	Percentage of Total City Employment (3)	Employees	Rank	Percentage of Total City Employment (4)
Raymond James & Associates	3,300	1	2.70 %	2,300	1	1.58 %
All Children's Health System	3,000	2	2.45 %	2,300	2	1.58 %
Home Shopping Network	2,500	3	2.04 %	1,580	7	1.08 %
Bayfront Medical Center, Inc.	2,000	4	1.64 %	2,100	4	1.44 %
FIS Management Services	1,700	5	1.39 %	-		- %
Brighthouse Networks	1,600	6	1.31 %	-		- %
Jabil Circuit	1,500	7	1.23 %	2,000	5	1.37 %
St. Anthony's Hospital	1,200	8	0.98 %	1,240	10	0.85 %
Transamerica Life Insurance Company	1,000	9	0.82 %	-		- %
Progress Energy	900	10	0.74 %	-		- %
Times Publishing Corp.				2,200	3	1.51 %
Raytheon Company				1,700	6	1.17 %
Publix Super Markets, Inc				1,430	8	0.98 %
Advanced Newhouse Partnership				1,400	9	0.96 %
Total	<u>18,700</u>		<u>15.29 %</u>	<u>18,250</u>		<u>12.52 %</u>

**City of St. Petersburg, Florida**  
*Demographic and Economic Information Footnotes*  
 September 30, 2012

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>	
Demographic and Economic Statistics	1	City of St. Petersburg Economic Development Department.
Principal Employers	1	City of St. Petersburg Economic Development Department.
	2	Current and five years prior comparison presented as data from nine years prior not available.
	3	City of St. Petersburg Economic Development Department. Total employees per principal employer divided by total employees in the City of St. Petersburg for 2012 is 122,302.
	4	City of St. Petersburg Economic Development Department. Total employees per principal employer divided by total employees in the City of St. Petersburg for 2007 is 145,767. Data is not available for nine years prior.
	5	Schedule does not include governmental or school employees.

# **OPERATING INFORMATION**

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

	2012		2011		2010		2009		2008		2007	
	Full Time	Part Time										
General Government	392	24	399	20	406	17	406	27	400	21	412	24
Community and Economic Development	153	35	153	35	162	38	174	51	178	42	185	17
Police	740	16	755	14	769	14	753	13	781	13	771	10
Fire and EMS	325	2	324	-	325	1	343	1	346	1	352	1
Public Works	117	68	125	75	119	75	125	77	134	76	153	75
Recreation and Culture	311	327	324	316	330	282	343	263	348	283	324	329
Water and Wastewater Utility	310	3	315	2	304	4	310	5	317	4	325	3
Stormwater Utility	57	-	55	2	59	1	61	-	61	-	64	-
Sanitation	167	5	175	5	172	8	172	7	201	7	203	8
Airport	3	-	3	-	3	1	3	-	3	-	3	-
Port	1	5	2	4	4	3	4	3	4	2	4	3
Marina	13	6	11	7	11	8	11	8	10	8	11	6
Golf Courses	23	39	25	27	26	34	26	36	29	40	30	37
Jamestown Complex	4	-	2	-	4	-	3	-	5	-	5	-
<b>Total City-Wide</b>	<b>2,616</b>	<b>530</b>	<b>2,668</b>	<b>507</b>	<b>2,694</b>	<b>486</b>	<b>2,734</b>	<b>491</b>	<b>2,817</b>	<b>497</b>	<b>2,842</b>	<b>513</b>

**City of St. Petersburg, Florida**  
**Operating Indicators by Function/Program**  
**Last Six Fiscal Years**

Function/Program	2012	2011	2010	2009	2008	2007
<b>General Government</b>						
<b>Parking (1)</b>						
Southcore parking garage (number of monthly contract users)	181,000	165,000	152,000	121,000	87,000	102,000
Southcore parking garage (number of daily users)	28,000	19,000	14,000	26,000	28,000	26,000
Midcore parking garage (number of monthly contract users)	130,000	92,000	89,000	98,000	120,000	128,000
Midcore parking garage (number of daily users)	154,000	143,000	137,000	245,000	312,000	381,000
<b>Utility Accounts (2)</b>						
Utility Customers	89,889	90,318	89,780	90,148	90,902	91,946
Meters Read	1,148,011	1,162,474	1,147,709	1,139,169	1,163,097	1,149,224
Bills Produced	1,024,706	1,112,702	1,130,158	1,099,861	1,221,841	1,103,851
<b>Community and Economic Development</b>						
<b>Economic Development (3)</b>						
Occupational Licenses Issued	15,923	15,103	15,498	15,768	16,541	17,344
Total Existing and Available Downtown Office Space (000's)	3,756	3,804	3,804	3,910	3,913	3,808
Occupancy Rate	87%	81%	82%	84%	90%	88%
Total Existing and Available Gateway Office Space (000's)	7,971	7,802	7,585	7,525	7,896	7,157
Occupancy Rate	88%	87%	85%	85%	87%	88%
Total Existing and Available Industrial Space Gateway & Mid-Pinellas (000's)	39,019	39,478	39,478	39,478	36,613	34,018
Occupancy Rate	90%	90%	90%	90%	92%	95%
Total Existing and Available Retail Space Downtown (000's)	1,117	1,117	1,117	1,117	1,117	1,117
Occupancy Rate	90%	88%	86%	92%	96%	99%
<b>Permitting and Community Codes (4)</b>						
Building Permits Issued	19,463	17,376	15,894	13,007	15,627	20,163
Total Construction Value	310,636,691	201,693,741	195,328,617	248,016,348	219,656,650	635,400,369
<b>Neighborhood Services (5)</b>						
<b>Neighborhood Services - Codes Compliance</b>						
Cases Opened From Citizen Complaints	11,582	12,967	11,380	10,879	10,235	11,827
Cases Opened Internally and By Survey	12,235	11,419	13,744	11,881	10,325	11,979
<b>Number of Legal Actions By:</b>						
<b>Specials Magistrate and Code Enforcement Board</b>						
Court Action (Ordinance Violations)	3,769	3,476	3,800	3,849	3,222	4,938
	680	783	841	841	553	507
<b>Police (6)</b>						
Citizen Calls for Service	123,164	125,635	100,592	137,462	136,413	123,543
UCR Part I Crimes (City) (7)	14,761	15,383	13,465	20,255	18,772	17,468
UCR Part I Arrests (City) (8)	2,880	2,926	2,581	3,572	3,358	2,976
UCR Part II Arrests (City) (9)	10,924	12,954	10,490	12,057	10,544	9,397
Priority One Calls for Service	2,266	2,342	1,675	2,709	3,188	2,736
Average Priority One Travel Time (Minutes)	4.7	4.7	4.5	4.5	4.4	4.1
Average Priority One Response Time (Minutes)	6.0	6.1	5.6	5.7	5.6	5.6
<b>Fire and EMS (10)</b>						
Fire and Emergency Responses	47,865	48,625	47,075	47,157	46,918	45,423
Fire Average Response Time (Minutes)	5:57:00	4:33:00	4:49:00	4:38:00	4:36:00	4:43:00
Rescue Average Response Time (Minutes)	4:22:00	4:24:00	4:35:00	4:23:00	4:17:00	4:25:00
<b>Recreation and Culture</b>						
<b>Libraries (11)</b>						
Items Circulated	1,620,866	1,581,182	1,514,469	1,391,681	1,184,479	1,126,571
Facility Use (Number of Patrons Visiting)	1,372,408	1,440,099	1,442,069	1,413,098	1,276,805	1,241,536
Internet/Computer Use	383,755	438,910	470,709	379,666	328,400	390,104

**City of St. Petersburg, Florida**  
**Operating Indicators by Function/Program**  
**Last Six Fiscal Years**

Function/Program	2012	2011	2010	2009	2008	2007
General Government (Continued)						
Parks and Recreation (12)						
Recreation Centers						
Attendance	799,975	761,915	761,348	757,117	829,331	883,656
Rate of Recovery	43.91%	40.56%	40.18%	45.14%	48.58%	44.13%
Swimming Pools						
Attendance	257,197	252,594	291,384	298,165	259,160	280,758
Rate of Recovery	38.40%	31.75%	30.33%	31.41%	28.78%	27.33%
Multi-Service and Adult Centers						
Attendance	325,858	348,533	350,353	354,421	389,102	414,180
Rate of Recovery	26.88%	22.55%	20.54%	19.21%	19.59%	18.45%
Sanitation (13)						
Commercial Waste Customers	5,787	5,783	5,713	5,657	5,950	6,066
Residential Waste Customers	75,968	76,093	76,080	78,825	77,911	78,251
Special Services						
Pick-up Requests	20,377	18,809	18,773	20,645	25,625	26,413
Recycling Centers	68	73	71	73	74	61
Tons of Yard Waste	40,773	46,922	42,688	42,962	45,274	38,965
Water Resources (14)						
Potable Water						
Per Capita Usage Per Day (Gross)	86	81	82	81	90	95
Gallons Pumped Per Day (MGD)	28.8	27.5	27.1	27.9	29	30.5
New Installations	207	168	182	142	294	416
Reclaimed Water Distribution						
Number of Reclaimed Customers	10,940	10,925	10,924	11,153	10,901	11,032
Number of New Installations	73	54	54	93	121	136
Average Annual Reclaimed Water Use vs. Deep Well Injection (MGD)	17.51/16	17.47/14	15.3/19	17.68/17	18.97/13	20.65/12
Number of Gallons Pumped (In thousands)	17,510	17,500	15,300	17,680	18,970	20,650
Stormwater (15)						
Number of Acres of Retention Ponds & Drainage Ditches Mowed	1,136	1,136	1,136	1,136	1,136	1,136
Street Sweeping - Miles Swept (Residential, Commercial & Interstate)	37,380	37,380	37,380	37,380	37,380	37,380
Airport (16)						
Leases (Expired/Renewal/New)	5	2	1	1	2	3
Total Lease Value	989,000	998,000	943,000	896,000	846,000	755,000
Number of Airport Operations	85,900	77,566	77,600	83,398	83,840	74,427
Number of Based Aircraft	185	184	184	184	184	184
Port (17)						
Leases (Expired/Renewal/New) (18)	1	1	1	1	-	-
Number of Ship Days Per Year	408	677	764	745	609	521
Number of Visiting Ships	63	35	42	41	35	32
Marina (19)						
Occupancy Rate	94%	92%	92%	94%	94%	97%
Golf Courses (20)						
Number of Rounds Per Year						
Mangrove Bay	69,581	68,674	65,939	71,267	76,605	78,519
Twin Brooks	19,640	19,237	18,856	23,545	23,724	27,211
Cypress Links	32,349	32,735	32,050	38,244	38,854	38,491
Jamestown Complex (21)						
Vacancy Rate	23.68%	39.47%	18.42%	11.84%	9.20%	10.91%

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

Function/Program	2012	2011	2010	2009	2008	2007
<b>Police (2)</b>						
Stations	1	1	1	1	1	1
Sub-stations	1	1	1	1	1	1
Patrol Units	414	414	381	401	412	398
<b>Fire and EMS (3)</b>						
Stations	11	11	11	12	12	12
Fire Fighting Units	16	16	22	22	22	22
Rescue Units	12	12	14	15	15	15
Support Specialty Units	8	8	8	8	8	8
<b>Public Works (4)</b>						
Streets and Alleys (Number)	13,849	13,849	13,849	14,022	14,022	14,022
Streets and Alleys (Miles)	1,187	1,198	1,198	1,202	1,202	1,202
Seawalls and Retaining Walls (Miles)	12	12	12	12	12	12
Bridges (Number)	82	82	81	79	79	79
Culverts (Number)	185	185	185	185	185	185
<b>Recreation and Culture</b>						
Libraries (5)	7	7	7	7	7	7
<b>Recreation and Parks (6)</b>						
Parks	154	151	151	150	141	141
Park Acres	2,400	2,400	2,400	2,400	2,400	2,400
Recreation Centers	15	15	15	15	15	16
Swimming Pools	9	9	9	9	9	9
Tennis Courts	66	66	66	66	66	66
Dog Parks	6	6	6	6	5	5
Public Beaches	5	5	5	5	5	5
Skate Parks	2	2	2	2	2	2
<b>Water and Wastewater Utility Resources (7)</b>						
Water Mains (Miles)	1,564	1,564	1,571	1,579	1,658	1,599
Potable Water Mains Replaced (Linear Feet)	53,179	57,035	56,702	66,282	66,412	56,842
Sanitary Sewer Collection Mains (Miles)	937	937	942	944	925	920
Sanitary Sewer Pipe Replacement (Linear Feet)	11,603	8,894	32,089	18,753	13,854	15,757
Sanitary Sewer Pipe Rehabilitation CIPP Lining (Linear Feet)	34,288	21,479	27,744	-	-	-
Reclaimed Water Lines	287 Miles	287 Miles	287 Miles	290 miles	300 Miles	291 Miles
Water Reclamation Treatment Plants	4	4	4	4	4	4
<b>Stormwater Utility (8)</b>						
Storm Drainage - Miles of Pipe	483	483	478	484	500	500
Catch Basins	13,942	13,942	13,942	13,894	14,000	14,000
Grate Inlets	4,686	4,686	4,686	4,572	850	850
Culverts	185	185	185	185	185	185
Seawalls in Miles	12	12	12	12	12	12
<b>Sanitation (9)</b>						
Refuse Collection Vehicles	136	136	215	217	240	230
<b>Marina (10)</b>						
Slips	650	650	650	655	656	610
Number of Transient Boats Docked	519	471	411	497	402	250
<b>Golf Courses (11)</b>						
Number of Golf Courses	3	3	3	3	3	3
<b>Jamestown Complex (12)</b>						
Number of Units	76	76	76	76	76	55

**City of St Petersburg, Florida**  
**Operating Statistics - Footnotes**  
**September 30, 2012**

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.

Statistic	Footnote Number	Source and/or Explanation of Information
Full and Part Time City Government Employees by Function/Program	1	City of St. Petersburg Human Resources Department. Number of full time and part time employees as of September 30 of the respective years.
	1	City of St. Petersburg Transportation and Parking Management Department.
	2	City of St. Petersburg Billing and Collections Department.
	3	City of St. Petersburg Economic Development Department. The City's methodology for Space and Occupancy changed in 2012. The 2007-2011 statistics were restated in 2012 for consistency purposes.
	4	City of St. Petersburg Permits Department.
	5	City of St. Petersburg Codes Compliance Department.
	6	City of St. Petersburg Police Department Planning and Accreditation Unit. Beginning in 2009, Police statistics are reported for the fiscal rather than calendar year. 2008 was restated in 2009 to include the month of December 2008.
	7	Uniform Crime Report (UCR) - Numbers reflect the crimes reported by the local agencies (primarily Sheriff Offices and Police Departments) to Florida Department of Law Enforcement. The UCR does not include all offences reported to the police.
	8	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/abduction, arson, simple assault, drug sales, drug possession, bribery, embezzlement, fraud, forgery, extortion, etc.
	10	City of St. Petersburg Fire and EMS Department. Beginning in 2009, Fire and EMS statistics are reported for the fiscal rather than calendar year. 2008 was restated in 2009 to include the month of December 2008.
	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.
	19	City of St. Petersburg Marina.
	20	City of St. Petersburg Golf Courses Department.
21	City of St. Petersburg Jamestown Complex.	
Capital Assets Statistics by Function/Program	1	No capital asset indicators are available for the General Government, Community and Economic Development, Airport and the Port.
	2	City of St. Petersburg Police Department.
	3	City of St. Petersburg Fire and EMS Department. The 2006-2010 number of stations were restated in 2011 to correct prior years for the unlocated variance of 2 stations for 2010 and 1 station for 2006-2009.
	4	City of St. Petersburg Public Works Department.
	5	City of St. Petersburg Library Department.
	6	City of St. Petersburg Parks and Recreation Departments.
	7	City of St. Petersburg Water Resources Department.
	8	City of St. Petersburg Stormwater Department.
	9	City of St. Petersburg Sanitation Department.
	10	City of St. Petersburg Marina.
	11	City of St. Petersburg Golf Courses Department.
	12	City of St. Petersburg Jamestown Complex. Seventeen units were demolished in Fiscal Year 2007. Twenty-one units were replaced in 2008.

## **IV. REGULATORY SECTION**

- **Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***
- **Independent Auditor's Report on Compliance with Requirements that could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General of the State of Florida***
- **Schedule of Expenditures of Federal Awards and State Financial Assistance**
- **Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance**
- **Schedule of Expenditures of Other Governmental Agencies Awards**
- **Notes to Schedule of Expenditures of Other Awards and State Financial Assistance**
- **Schedule of Findings and Questioned Costs**
- **Summary Schedule of Prior Audit Findings**
- **Independent Auditor's Management Letter**



**Mayer Hoffman McCann P.C.**

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**Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2012, which collectively comprise the City’s basic financial statements and have issued our report thereon dated February 28, 2013. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City’s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City’s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City’s internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity’s financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

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

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

A handwritten signature in black ink that reads "Mayra Hoffman McCann P.C." The signature is written in a cursive style.

February 28, 2013  
Clearwater, Florida



**Mayer Hoffman McCann P.C.**

An Independent CPA Firm

**KRMT Tampa Bay Division**

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**Independent Auditor’s Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, Rules of the Auditor General of the State of Florida**

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

**Compliance**

We have audited the City of St. Petersburg, Florida’s (the “City”) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Circular A-133 Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the City’s major federal programs and state financial assistance projects for the year ended September 30, 2012. The City’s major federal programs and state financial assistance projects are identified in the summary of auditors’ results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs and state financial assistance projects is the responsibility of the City’s management. Our responsibility is to express an opinion on the City’s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. Those standards and OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or major state financial assistance project occurred. An audit includes examining, on a test basis, evidence about the City’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City’s compliance with those requirements.

In our opinion the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state financial assistance projects for the year ended September 30, 2012.

## Internal Control Over Compliance

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs and state financial assistance projects. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program and state financial assistance project to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program and state financial assistance project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and state financial assistance project will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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



February 28, 2013  
Clearwater, Florida

**City of St. Petersburg, FL**  
 Schedule of Expenditures of Federal Awards and State Financial Assistance  
 Fiscal Year Ended September 30, 2012

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>U. S. DEPARTMENT OF AGRICULTURE</b>			
Child and Adult Care Food Program			
Passed through Florida Department of Health			
Child and Adult Care Food Program FY12	10.558	A-1096	\$ 154,042
Summer Food Service Program for Children			
Passed through Florida Department of Education			
Summer Food Service Prgm for Children FY11	10.559	04-0911	
Passed through Florida Department of Agriculture & Consumer Services			
Summer Food Service Prgm for Children FY12	10.559	04-0911	489,050
Cooperative Forestry Assistance Program			
Passed through Florida Department of Agriculture & Consumer Services			
Local Tree Inventory System Development	10.664	016169	2,320
<b>Total Department of Agriculture</b>			<u>645,412</u>
<b>U. S. DEPARTMENT OF COMMERCE</b>			
Habitat Conservation Program			
Passed through National Fish & Wildlife Foundation			
Boyd Hill Nature Preserve Restoration	11.463	2009-0063-002	6,275
<b>Total Department of Commerce</b>			<u>6,275</u>
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>			
CDBG Entitlement Grants Cluster			
Community Development Block Grant	14.218	B-10-MC-12-0017	446,546
Community Development Block Grant	14.218	B-11-MC-12-0017	1,421,645
Community Development Block Grant	14.218	Program Income (3)	108,062
Neighborhood Stabilization Program	14.218	B-08-MN-12-0026	764,227
Neighborhood Stabilization Program	14.218	B-11-MN-12-0026	50,563
Neighborhood Stabilization Program	14.218	Program Income (3)	374,620
ARRA Community Development Block Grant			
Recovery Program	14.253	B-09-MY-12-0017	44,199
<b>Total CDBG Entitlement Grants Cluster</b>			<u>3,209,862</u>
Emergency Solutions Grant Program			
Emergency Shelter Grant Program	14.231	S-10-MC-12-0009	3,246
Emergency Shelter Grant Program	14.231	S-11-MC-12-0009	71,073
<b>Total Emergency Solutions Grant Program</b>			<u>74,319</u>
HOME Investments Partnerships Program			
HOME Investment in Affordable Housing	14.239	M-05-MC-12-0220	607
HOME Investment in Affordable Housing	14.239	M-07-MC-12-0220	70,520
HOME Investment in Affordable Housing	14.239	M-08-MC-12-0220	187,528
HOME Investment in Affordable Housing	14.239	M-09-MC-12-0220	172,001
HOME Investment in Affordable Housing	14.239	M-10-MC-12-0220	41,297
HOME Investment in Affordable Housing	14.239	M-11-MC-12-0220	144,549
HOME Investment in Affordable Housing	14.239	Program Income (3)	244,639
<b>Total HOME Investment Partnerships Program</b>			<u>861,141</u>

**City of St. Petersburg, FL**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Fiscal Year Ended September 30, 2012

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (continued)</b>			
Economic Development Initiative Grants			
Tangerine Avenue Community Redevelopment	14.251	B-05-SP-FL-0438	\$ 261,551
Jordan School Restoration	14.251	B-09-SP-FL-0182	19,900
Total Economic Development Initiative Grants			<u>281,451</u>
Homeless Prevention and Rapid Re-Housing Program			
ARRA Homelessness Prevention and Rapid Re-Housing Program	14.257	S09-MY-12-0009	10,160
<b>Total Department of Housing and Urban Development</b>			<u><u>4,436,933</u></u>
<b>U. S. DEPARTMENT OF THE INTERIOR</b>			
Save America's Treasures Program			
Sunken Gardens Master Plan	15.929	12-10-AP-5008	3,742
Fish & Wildlife Cluster			
Sport Fish Restoration Program			
Passed through Florida Fish & Wildlife Conservation Commission			
Coffee Pot Park Boat Ramp	15.605	FL-F-163-B	4,911
Crisp Park Boat Ramp	15.605	FL-F-164-B	10,512
Demens Landing Park Boat Ramp	15.605	FL-F-165-B	14,508
Bay Vista Park Boat Ramp	15.605	FL-F-166-B	14,000
Grandview Park Boat Ramp	15.605	FL-F-167-B	14,000
Lake Maggiore Park Boat Ramp	15.605	FL-F-168-B	6,965
Total Fish & Wildlife Cluster			<u>64,896</u>
<b>Total Department of the Interior</b>			<u><u>68,638</u></u>
<b>U. S. DEPARTMENT OF JUSTICE</b>			
Federal Equitable Sharing Program	16.922	N/A	676,305
Edward Byrne Memorial State & Local Law Enforcement Discretionary Grants Program			
Passed through City of Tampa, FL			
Republican National Convention	16.580	2012-NC-BX-3070	406,130
Republican National Conv Welcome Event	16.580	2012-NC-BX-3070	838,484
Republican National Conv Welcome Event Donated Equip	16.580	2012-NC-BX-3070	28,746
Total Edward Byrne Memorial State & Local Law Enforcement Discretionary Grants Program			<u>1,273,360</u>
Public Safety Partnership and Community Policing Grants			
ARRA COPS Hiring Recovery Program	16.710	2009RJWX0033	692,147
JAG Program Cluster			
Edward Byrne Memorial Justice Assistance Program			
Passed through Pinellas County			
Edward Byrne Memorial Justice Assistance	16.738	2009-DJ-BX-0955	13,952
Edward Byrne Memorial Justice Assistance	16.738	2010-DJ-BX-0046	79,454
Edward Byrne Memorial Justice Assistance	16.738	2011-DJ-BX-0012	6,844

**City of St. Petersburg, FL**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Fiscal Year Ended September 30, 2012

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>U. S. DEPARTMENT OF JUSTICE (continued)</b>			
Recovery Act - Edward Byrne Memorial Justice Assistance Grant			
Passed through Pinellas County			
ARRA Edward Byrne Memorial Justice Asst	16.803	2009-SB-B9-1311	\$ 442,171
Total JAG Cluster			<u>542,421</u>
<b>Total Department of Justice</b>			<u><u>3,184,233</u></u>
<b>U. S. DEPARTMENT OF TRANSPORTATION</b>			
Airport Improvement Program			
Airport Traffic Control Tower	20.106	N/A	18,592
Construct Apron (SE Ramp/Tiedowns) Phase I	20.106	3-12-0074-018-2009	10,225
Taxiway D Extension, Northside Apron Expansion, Runway 7 Lights	20.106	3-12-0074-019-2010	95,922
Total Airport Improvement Program			<u>124,739</u>
Highway Planning & Construction Cluster			
Direct Program			
North Bay Trail Project	20.205	AQ187	9,734
Passed through Florida Department of Transportation			
Bicycle/Pedestrian Paths	20.205	ANS73	125,760
Skyway Trail Project	20.205	AOP66	17,596
Clam Bayou Trail - Phase 2	20.205	AOS48	2,376,046
Booker Creek Bicycle/Pedestrian Trail	20.205	AP343	20,395
54th Avenue South Side Path Project	20.205	AP362	271,286
ARRA North Bay Trail Economic Stimulus Proj	20.205	APU38	21,232
Walter Fuller Park Trail Project	20.205	AQ930	66,129
Pedestrian Crossing Enhancement Program	20.205	AQF23	5,963
Total Highway Planning & Construction Cluster			<u>2,914,141</u>
Federal Transit Capital Investment Grants			
Passed through Pinellas County			
Downtown St. Petersburg Intermodal Facility Study	20.500	FL-03-0322-00	19,428
National Highway Traffic Safety Administration Discretionary Safety Grants			
Pedestrian Safety Enforcement Campaign	20.614	BDQ09	13,410
<b>Total Department of Transportation</b>			<u><u>3,071,718</u></u>
<b>U. S. ENVIRONMENTAL PROTECTION AGENCY</b>			
Capitalization Grants for Clean Water State Revolving Funds			
Passed through Florida Department of Environmental Protection			
State Revolving Funds - Southwest Water Reclamation Facility Improvements	66.458	WW520600	5,182,193
<b>Total Environmental Protection Agency</b>			<u><u>5,182,193</u></u>

**City of St. Petersburg, FL**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Fiscal Year Ended September 30, 2012

FEDERAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	CFDA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>U. S. DEPARTMENT OF ENERGY</b>			
Renewable Energy Research & Development			
Solar Parks Pilot Project	81.087	DE-EE0000284	1,786,076
Sustainable Biosolids/Renewable Energy Plant	81.087	DE-EE0003145	265,364
Total Renewable Energy Research & Development			<u>2,051,440</u>
Energy Efficiency and Conservation Block Grant Program			
ARRA Energy Efficiency and Conservation Block Grant	81.128	DE-EE0000780	\$ 1,055,020
<b>Total Department of Energy</b>			<u>3,106,460</u>
<b>U. S. DEPARTMENT OF EDUCATION</b>			
Twenty-First Century Community Learning Centers			
Passed through Coordinated Child Care of Pinellas, Inc.			
Walter Fuller Rec Center 21st Century CLC 2011	84.287	N/A	76,017
Walter Fuller Rec Center 21st Century CLC 2012	84.287	N/A	12,729
<b>Total Department of Education</b>			<u>88,746</u>
<b>U. S. DEPARTMENT OF HOMELAND SECURITY</b>			
Disaster Grants - Public Assistance			
Passed through Florida Division of Emergency Management			
Tropical Storm Debby	97.036	FEMA-4068-DR-FL	73,451
Homeland Security Cluster			
Passed through Florida Division of Emergency Management			
Metropolitan Medical Response System	97.067	10-DS-44-08-62-02-415	66,032
Metropolitan Medical Response System	97.067	11-DS-A3-08-62-02-319	123,944
Passed through Hillsborough County, FL			
Florida Task Force 3 Urban Search & Rescue Team	97.067	07-DS-5N-13-00-16-217	12,007
<b>Total Homeland Security Cluster</b>			<u>201,983</u>
Staffing for Adequate Fire & Emergency Response Prg SAFR 2012	97.083	EMW-2010-FH-00986	366,441
<b>Total Department of Homeland Security</b>			<u>641,875</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 20,432,483</u>

**City of St. Petersburg, FL**  
Schedule of Expenditures of Federal Awards and State Financial Assistance  
Fiscal Year Ended September 30, 2012

STATE AWARDS FUNDING SOURCE AND GRANT PROGRAM	CSFA NUMBER	GRANT CONTRACT NUMBER	EXPENDITURES
<b>EXECUTIVE OFFICE OF THE GOVERNOR</b>			
Florida Sports Foundation			
World Baseball Spring Tournament 2012	31.005	N/A	\$ 7,920
<b>Total Executive Office of the Governor</b>			<u>7,920</u>
<b>FLORIDA HOUSING FINANCE CORPORATION</b>			
State Housing Initiatives Partnership (SHIP) Program			
State Housing Initiatives Partnership 2008-2009	52.901	N/A	85,049
State Housing Initiatives Partnership 2009-2010	52.901	N/A	99,714
State Housing Initiatives Partnership 2011-2012	52.901	N/A	146,875
State Housing Initiatives Partnership	52.901	Program Income (3)	603,744
<b>Total Florida Housing Finance Corporation</b>			<u>935,382</u>
<b>DEPARTMENT OF TRANSPORTATION</b>			
Florida Highway Beautification Council Grants			
Citywide Highway Landscape Rehabilitation Proj	55.003	AQ652	1,033,280
Aviation Development Grants			
Airfield Infrastructure Improvements	55.004	APO95	9,170
Airport Security Project	55.004	AQ771	21,844
<b>Total Aviation Development Grants</b>			<u>31,014</u>
Seaport Grants			
Wharf and Infrastructure Repair at the Port	55.005	AOZ18	168,217
<b>Total Department of Transportation</b>			<u>1,232,511</u>
<b>DEPARTMENT OF REVENUE</b>			
Facilities for New Professional Sports, Retained Professional Sports or Retained Spring Training Franchise			
Facilities for New Professional Sports Facilities	73.016	N/A	2,000,004
<b>Total Department of Revenue</b>			<u>2,000,004</u>
<b>Total Expenditures of State Financial Assistance</b>			\$ <u>4,175,817</u>
<b>Total Expenditures of Federal And State Agencies Awards</b>			\$ <u>24,608,300</u>

**City of St. Petersburg, Florida**

*Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended September 30, 2012*

**NOTE 1 - GENERAL**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance presents the activity of all federal awards and state financial assistance of the City of St. Petersburg, Florida (the "City"). The reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2012.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statement for the year ended September 30, 2012.

**NOTE 3 - PROGRAM INCOME**

Program income from the Community Development Block, HOME Investment in Affordable Housing, Neighborhood Stabilization and State Housing Initiatives Partnership grants is generated from multiple grant years, including previously closed grant years. The City has elected to show program income expenditures separately from the individual grant year expenditures listed on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

**NOTE 4 - LOANS OUTSTANDING**

The City of St. Petersburg, Florida had the following loan receivables balances outstanding at September 30, 2012.

<b>PROGRAM TITLE</b>	<b>CFDA/CFSA</b>	<b>TOTAL</b>
US Dept of Housing and Urban Development		
Community Development Block Grant	14.218	\$ 298,208
Neighborhood Stabilization Program	14.218	27,650
HOME Investment in Affordable Housing	14.239	5,617,090
Florida Housing Finance Corp		
State Housing Initiative Partnership	52.901	3,867,486

**City of St. Petersburg, Florida**

*Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance  
Year Ended September 30, 2012*

**NOTE 5 – SUB RECIPIENTS**

Of the federal and state expenditures presented in the Schedule, the City provided federal and state awards to sub recipients as follows:

<b>PROGRAM TITLE</b>	<b>CFDA/CFSA</b>	<b>TOTAL</b>
US Dept of Housing and Urban Development		
Community Development Block Grant	14.218	\$ 635,858
Emergency Shelter Grant Program	14.231	69,468
HOME Investment in Affordable Housing	14.239	183,353
US Dept of Justice		
Edward Byrne Memorial Justice Assistance	16.738	1,982
Federal Equitable Sharing Program	16.000	5,000
FL Housing Finance Corporation		
State Housing Initiatives Partnership	52.901	32,431



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**City of St. Petersburg, FL**  
Schedule of Expenditures of Other Governmental Agencies Awards  
Fiscal Year Ended September 30, 2012

OTHER GOVERNMENTAL AWARDS FUNDING SOURCE AND GRANT PROGRAM	GRANT CONTRACT NUMBER	EXPENDITURES
<b>SOUTHWEST FLORIDA WATER MANAGEMENT DISTRICT</b>		
St. Petersburg Toilet Replacement Program Phase 11	10C00000070	\$ 1,472
St. Petersburg Toilet Replacement Program Phase 12	11C00000096	54,239
St. Petersburg Bulk Toilet Replacement Program	12C00000024	1,718
Implementation of BMP's at Jungle Lake Boca Ciega Bay	07C00000018	384,823
Implementation of BMP's at Jungle Lake Northeast Basin	10C00000020	773,535
Implementation of BMP's at Golf Creek	10C00000021	640,307
Implementation of BMP's at MLK N	11C00000007	32,500
St. Petersburg Sensible Sprinkling Program Phase 4	10C00000071	1,450
St. Petersburg Sensible Sprinkling Program Phase 5	12C00000049	14,620
Shore Acres Stormwater Vaults	08CS0000030	40,160
Sawgrass Lake Restoration Project	08C00000099	20,272
Boyd Hill Nature Preserve, Exotic Species Eradication	N/A	6,275
2012 Community Education Grant	12POSOW0529	1,794
<b>Total Southwest Florida Water Management District</b>		<u>1,973,165</u>
<b>PINELLAS COUNTY</b>		
Local Housing Assistance Year 1	N/A	19,989
Local Housing Assistance Year 3	N/A	45,600
Municipal Recycling Reimbursement Program	N/A	189,468
Fred Marquis Pinellas Trail Overpass of 34th Street S	2009159230	166
<b>Total Pinellas County</b>		<u>255,223</u>
<b>JUVENILE WELFARE BOARD OF PINELLAS COUNTY</b>		
Direct Program		
TASCO Out of School Time	N/A	1,095,051
TASCO Youth Programs - Matched Partnership	N/A	461,875
Passed through Coordinated Child Care of Pinellas, Inc.		
TASCO Digital On The Go Overlay Program	N/A	9,791
<b>Total Juvenile Welfare Board of Pinellas County</b>		<u>1,566,717</u>
<b>Total Expenditures of Other Governmental Awards</b>		<u>\$ 3,795,105</u>

**City of St. Petersburg, Florida**  
*Notes to the Schedule of Expenditures of Other Governmental Agencies Awards*  
*Year Ended September 30, 2012*

**NOTE 1 - GENERAL**

The accompanying Schedule of Other Governmental Agencies Awards presents the activity of other governmental financial assistance of the City of St. Petersburg, Florida (the "City"). The reporting entity is defined in Note 1 to the City's basic financial statements for the year ended September 30, 2012.

**NOTE 2 - BASIS OF ACCOUNTING**

The accompanying Schedule of Other Governmental Agencies Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the City's basic financial statement for the year ended September 30, 2012.

**NOTE 3 - LOANS OUTSTANDING**

The City of St. Petersburg, Florida had the following loan receivables balances outstanding at September 30, 2012.

<b>PROGRAM TITLE</b>	<b>TOTAL</b>
Pinellas County Local Housing Assistance Program	\$ 2,636,680

**NOTE 4 - SUB-RECIPIENTS**

Of the other governmental agencies expenditures presented in the Schedule, the City provided awards to sub recipients as follows:

<b>PROGRAM TITLE</b>	<b>TOTAL</b>
Pinellas County Local Housing Assistance Program	\$ 45,600

**City of St. Petersburg, Florida**  
*Schedule of Findings and Questioned Costs*  
*Year Ended September 30, 2012*

**Section I - Summary of Auditors' Results**

***Financial Statements***

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes       X       No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       None reported
- Noncompliance material to the basic financial statements noted? \_\_\_\_\_ Yes       X       No

***Federal Awards***

Internal control over compliance:

- Material weakness(es) identified? \_\_\_\_\_ Yes       X       No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes       X       None reported

Type of auditors' report on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) OMB Circular A-133? \_\_\_\_\_ Yes       X       No

Identification of major programs:

Name of Federal Program	CFDA #
U.S. Department of Justice:	
Federal Equitable Sharing Program	16.922
COPS Hiring Recovery Program, ARRA	16.710
Passed through City of Tampa, Florida	
Republican National Convention	16.580
Republican National Convention Welcome Event	16.580
Republican National Convention Welcome Event	
Donated Equipment	16.580
Passed through Pinellas County	
Edward Byrne Memorial Justice Assistance	16.738
Edward Byrne Memorial Justice Assistance, ARRA	16.803
U.S. Environmental Protection Agency:	
Passed through Florida Department of Environmental Protection	
Southwest Water Reclamation Facility Improvements	66.458
U.S. Department of Energy:	
Solar Parks Pilot Project	81.087
Sustainable Biosolids/Renewable Energy Plant	81.087
Energy Efficiency & Conservation Block Grant, ARRA	81.128
U.S. Department of Homeland Security:	
Staffing for Adequate Fire & Emergency Response Prg	97.083

The threshold for distinguishing Type A and Type B programs was \$612,974 for federal programs.

Auditee qualified as low-risk auditee? \_\_\_\_\_       X       Yes \_\_\_\_\_ No

**City of St. Petersburg, Florida**  
*Schedule of Findings and Questioned Costs*  
*Year Ended September 30, 2012*

**State Awards**

Internal control over compliance:

- Material weakness(es) identified? \_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ None reported

Type of auditors' report on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550? \_\_\_\_\_ Yes \_\_\_\_\_ X \_\_\_\_\_ No

Identification of major programs:

Name of State Program	CSFA #
Department of Transportation: Citywide Highway Landscape Rehabilitation Project	55.003
Department of Revenue: Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training Franchise	73.016

The threshold for distinguishing Type A and Type B programs was \$300,000 for state programs.

**Section II - Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings required to be reported in accordance with *Government Auditing Standards*.

**Section III - Federal and State Award Findings and Questioned Costs**

This section identifies significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, related to the audit of major federal awards and state financial assistance projects, as required to be reported by OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*.

There were no findings required to be reported in accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*.

**Section IV - Summary of Prior Audit Findings**

The significant deficiency over financial reporting for 2011 (2011-01 Year-End Close and Accounting Procedures) has been addressed and no longer applies.

**City of St. Petersburg, Florida**  
*Summary Schedule of Prior Audit Findings*  
*Federal Awards Programs and State Financial Assistance Projects*  
*Year Ended September 30, 2012*

There were no prior year audit findings.



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### Independent Auditor's Management Letter

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

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate 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, 2012 and have issued our report thereon dated February 28, 2013

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organization*; and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance With Requirements that Could have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.550, *Rules of the Auditor General* of the State of Florida and the related schedule of findings and questioned costs. Disclosures in those reports and schedule, which are dated February 28, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditors' reports or schedule:

- Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. See *Appendix A – Prior Year's Observations*.
- Section 10.554(1)(i)2., *Rules of the Auditor General*, requires our audit to include a review of the provisions of Section 218.415, *Florida Statutes*, regarding the investment of public funds. In connection with our audit, nothing came to our attention that the City was not in compliance with Section 218.415, Florida Statutes.

- Section 10.554(1)(i)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not identify any such findings and recommendations.
- Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that we address violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not identify any such findings and recommendations.
- Section 10.554(1)(i)5., *Rules of the Auditor General*, provides that the auditor may, based on professional judgment, report the following matters that have an inconsequential effect on financial statements, considering both quantitative and qualitative factors: (1) violations of provisions of contracts or grant agreements, fraud, illegal acts, or abuse, and (2) deficiencies in internal control that are not significant deficiencies. In connection with our audit, we did not identify any such findings and recommendations.
- Section 10.554(1)(i)6., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information has been disclosed in the notes to the financial statements.
- Section 10.554(1)(i)7.a., *Rules of the Auditor General*, requires a statement be included as to whether or not the local governmental entity has met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and identification of the specific condition(s) met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.
- Section 10.554(1)(i)7.b., *Rules of the Auditor General*, requires that we determine whether the annual financial report for the City for the fiscal year ended September 30, 2012, filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2012. In connection with our audit, we determined that these two reports were in agreement.
- Pursuant to Sections 10.554(1)(i)7.c. and 10.556(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the City.

Pursuant to Chapter 119, *Florida Statutes*, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Maya Hoffman Mc Conn P.C.*

February 28, 2013  
Clearwater, Florida

*City of St. Petersburg, Florida*  
**Appendix A – Prior Year’s Observations**  
**September 30, 2012**

Prior year’s observations that have been addressed by the City and are no longer relevant are as follows:

**Finding 2011-01:** The City developed a well-defined year-end closing process and has continued to improve financial reporting and implementing more efficient processes through utilizing technology and developing well-trained, professional staff.

**Finding 2011-02:** The City developed a well-defined reconciliation process in place throughout the fiscal year to address timely capital asset reporting and reconciliation, timely and useful budget to actual analysis reporting between the Budget and Finance Department, and to address routine reconciliation of interfund balances. The City has centralized accounts payable during fiscal year 2012 that has assisted in completeness and recording of accounts payable at year-end.

**Finding 2011-03:** Procurement card policies are continuously monitored through the Procurement and Supply Management Department.

**Finding 2011-04:** The City has addressed information technology security and access controls during fiscal year 2012 as deemed necessary through direction by the Information Security Officer.

**Finding 2011-05:** The City is storing new significant agreements and contracts electronically as available and plans to implement processes for further electronic document management.



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**Finance Department**

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