ANNUAL
COMPREHENSIVE
FINANCIAL REPORT
of the
CITY OF TREASURE ISLAND, FLORIDA
for the

Fiscal Year Ended
September 30, 2022

Prepared by the Department of Finance

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CITY OF TREASURE ISLAND, FLORIDA
COMMISSION-MANAGER FORM OF GOVERNMENT

CITY COMMISSION

Tyler Payne, Mayor

Deborah Toth, District 1

John Doctor, District 2

Saleene Partridge, District 3

Maribeth Wetzel, District 4

City Manager
Amy L. Davis

Finance Director
Mike Munger

Assistant Finance Director
Michelle Mims

City of Treasure Island Florida
Annual Comprehensive Financial Report
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For the Fiscal Year Ended September 30, 2022

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I. INTRODUCTORY SECTION

This section contains the following:

LETTER OF TRANSMITTAL

GFOA CERTIFICATE OF ACHIEVEMENT

ORGANIZATIONAL CHART

LIST OF ELECTED AND APPOINTED OFFICIALS

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City of
Treasure Island
Florida 33706
Incorporated 1955
120 - 108th Avenue
Phone (727) 547-4575
Fax (727) 547-4584

June 30, 2023

Honorable Mayor and
City Commissioners
City of Treasure Island
Treasure Island, Florida 33706

Dear Mayor and Commissioners:

The Annual Comprehensive Financial Report of the City of Treasure Island for the fiscal year ending September 30, 2022, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the City on a Government-wide and a Fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City of Treasure Island's financial statements have been audited by Carr, Riggs & Ingram, LLC, Certified Public Accountants. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

The City of Treasure Island was incorporated in 1955. The City is a beach town located on the west coast of Florida in the Tampa Bay Region on the Gulf of Mexico. The City provides a full range of city services. These services include police and fire protection; solid waste services; the construction and maintenance of bridges, streets, a wastewater collection system, a stormwater system, City parks and facilities; general governmental services; and recreational activities and special city-wide events.

ECONOMIC CONDITION AND OUTLOOK

The City of Treasure Island is an affluent barrier island community just off the mainland on the west central coast of Florida. With tourism being the major industry, most of the City's businesses are

service oriented with accommodation and restaurant businesses, small retail establishments, and financial related services rounding out the largest three types of industries in Treasure Island.

For many years, the City of Treasure Island had long enjoyed a strong viable economic and tax base, being affected, only slightly, by the cyclical fluctuations in the national economy. However, the Great Recession in 2008 caused major reductions in real estate values resulting in a cumulative decline of 38% in the City's tax base. This resulted in significant property tax revenue declines and negatively impacted other city revenues as well. In FY 2020, the tax base valuation fully recovered and exceeded the pre-recession levels. Since that time, the City has enjoyed modest property value increases positively impacting the tax base.

It is projected that the majority of City's overall revenue streams will continue to grow, at least for the immediate future. Florida's housing market—and the Tampa Bay region's in particular—have experienced a recent housing market boom. The city and region continue to see an influx of people looking to relocate to Florida permanently as remote work is becoming more popular. While the year-over-year valuation increases have generated higher property tax returns, this growth is likely to moderate due to the constraining force of current interest rates.

The long-term effect of the pandemic are still being felt across the organization, and include navigating the current labor market and negotiating the fractured supply chains for public sector goods and services. The city faces challenges of wage and goods inflation which may result in demands for higher wages as well as increased project costs and delays.

Tourism in Treasure Island continues to be an ever-growing economic sector of the city. With more city-programmed events in FY22 and scheduled for the upcoming years, the city anticipates to keep this trend positive.

These indicators allow for a generally optimistic view of the future, but one that becomes less reliable given the anticipated future uncertainty.

LONG-TERM FINANCIAL PLANNING

The overall fund balance in the General Fund had an increase of $2,602,388. There was a large increase in the assigned fund balance as a few large projects—totaling about $4.1M—were carried forward to the next fiscal year. The City had a general under-expenditure of the budgeted expenses, and collected higher revenues than anticipated in metered parking and utility taxes. Unassigned fund balance in the General Fund increased by $2,838,509 largely due to an increase in the committed portion of the fund balance due to grant funded capital project budgets being carried forward and/or encumbered but the grant funding not yet received. These individual fund balances in the General Fund are essential to protect the City from unanticipated events, such as a revenue short-fall or an emergency event, and to ensure proper cash flow for grant-reimbursed projects. In the case of an emergency event the City may need funds to begin to repair or rebuild while waiting for the possible FEMA recovery funds to be distributed. The availability of FEMA funding is not immediate and the reimbursement from FEMA to the City for events of recent years have taken upwards of a year or longer to receive reimbursement. This concern is heightened in light of the impact of Hurricane Ian on the similarly situated Sanibel Island, FL.

For FY22, the city desired to maintain stability in light of the ongoing COVID-19 pandemic. City-wide, revenues in FY22 were about $3M more than FY21 as a result of prior-year grants finally being reimbursed. The year-to-year expenses actually decreased, largely as a result of a one-time interfund transfer. Generally, the city held its discretionary expenses fairly flat from FY21 to FY22 even while facing many months of unprecedented inflation and supply-chain issues.

Appropriate fund balances in each fund vary depending on many factors. Enterprise/Business Type Funds that are providing services and have on-going or recurring personnel and operating costs should have larger fund balances to support operations through unanticipated events. Capital only funds can have lower fund balances because there are no recurring operating functions and there is generally more flexibility in the scheduling of the capital projects. It is important to look at each fund independently and what type of service is being supported by the fund when considering appropriate fund balances.

The city prepares and will continue updating its comprehensive capital improvement plan. The long-term capital needs of the city show taxpayers what the City's capital needs are for funding consideration as it moves into the future.

MAJOR INITIATIVES

The FY22 fiscal year made a priority to recruit new and retain existing employees. Despite cost of living and merit-based raises, and increases in related benefits costs, the city only experienced a 2% increase in personal services compared to FY21. The labor market issues do not seem to be a pandemic-related blip, as the impacts are projected to remain for the foreseeable future. This issue of recruiting qualified applicants and retaining skilled employees with institutional memory is likely to be a recurring concern that will continue in future fiscal years.

FY22 saw progress made on the city's new City Hall remodel project, as the largest single capital project during the year. This multi-year projects continues into FY23, so full project costs will not be known for another fiscal year at least, but this project is believed to be a needed catalyst for city operational needs and downtown redevelopment. This project and its related debt issuance required the creation of the city's Debt Service Fund (201); in future fiscal years, this fund is anticipated to be a major area of focus with major financing planned.

The East Causeway Roadway and Stormwater improvements project in partnership with the State and the Southwest Florida Water Management District (SWFWMD) was nearly completed by the end of FY22. Since this project was largely funded via grants, the city issued requests and received payment for iterative reimbursements, meaning many of the project revenues were recorded in the same FY the expenses were.

The City continues its investment in infrastructure FY23, primarily leveraging state and federal monies to reconstruct the city's Master Lift Station (MLS) and Pinellas County "Penny" funds to continue Gulf Blvd. utility undergrounding. Additional outside funding will be spent to make a major push to inspect and repair the sewer laterals for our Wastewater program. Finally, the city has significant facility improvements planned for Treasure Bay, Public Works Building/Yard, and new Public Safety building in future out years.

The daily operations of the Treasure Island Causeway continue to be funded within the City's General Fund, while the capital needs are funded through the committed portion of the fund balance. The City completed the goal of reaching 0.5 mills of property tax funding, combined with pursuing legislative funding requests for federal and/or state transportation funding to ensure that the maintenance needs of the Treasure Island Causeway and Bridge are funded.

FINANCIAL INFORMATION

Reporting Entity: The City of Treasure Island is a Florida Municipal Corporation providing a full range of municipal services, which includes general government, public safety, public works, and recreation. In addition to these governmental functions which are funded within the General Fund, the City operates a sewer, solid waste collection and disposal system, and a stormwater management program within its Enterprise Funds. In accordance with GASB Statement 14 "The Financial Reporting Entity", the City has addressed its potential component units and has determined that no other governmental organizations are includable within the City's reporting entity.

Accounting and Budgetary System: The City has a fully integrated accounting and budgetary system, which provides for on-line entry of data and control for such entry. The Uniform Accounting System, a manual issued by the State of Florida in 1978, as updated, has been used as the basic guide for coding accounting transactions. The basis of accounting and budgeting is set forth in detail in the Notes to the Financial Statements.

Management of the City is responsible for establishing and maintaining the City's accounting system with consideration given to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Consideration is also given to the internal control structure, which is designed to give reasonable, but not absolute, assurance regarding: (1) safeguarding of assets against loss from unauthorized use or disposition, and (2) reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. Key controls are tested and evaluated continually.

Budget Controls: In addition, the City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with the annually appropriated budget approved by the City's governing body. Activities of the general fund, special revenue funds, and capital projects funds are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is the fund. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts at the end of the fiscal year are carried forward and are appropriated as part of the following year's budget.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found beginning on page 25. The MD&A summarizes the Statement of Net Position and Statement of Activities. These are the Government-wide statements and are intended to present the City in a more corporate-style basis and provide a view of the larger picture. Additionally, the Fund Financial Statements (the remainder of the statements in the Basic Financial Statements section) are designed to address the major or more significant individual funds by category – governmental and proprietary. All of the Basic Financial Statements should be read in conjunction with the Notes to the Financial Statements, beginning on page 57. Budget to actual comparisons are presented for the General fund and all major special revenue funds. Finally, the Combining Statements provide further detail for the funds that were classified as "non-major" in the Basic Financial Statements.

CHARTER REQUIREMENTS AND INDEPENDENT AUDIT

Article III, Section 305, Paragraph (c) of the City Charter requires an annual audit of the financial statements of the City by a Certified Public Accountant selected by the Commission. This requirement was fulfilled and the accounting firm of Carr, Riggs & Ingram, LLC (CRI) was selected. The Auditor's report on the basic financial statements and the aggregate remaining fund information is included in the financial section of this report.

AWARDS

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 Treasure Island for its comprehensive annual financial report for the fiscal year ended September 30, 2021. The Certificate of Achievement recognizes conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government must publish a comprehensive annual financial report that is easily readable, efficiently organized and conforms to rigorous program standards. This comprehensive annual financial report must also promote consistency, full disclosure and uniformity and must meet both generally accepted accounting principles and legal requirements.

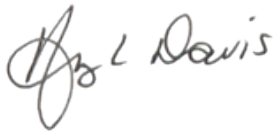
A Certificate of Achievement is valid for a period of one year only. The City of Treasure Island has received a Certificate of Achievement for the last forty-one consecutive years (fiscal years ended 1981-2021). We believe our current report continues to conform to the Certificate of Achievement program requirements and we are submitting it to the GFOA.

ACKNOWLEDGMENTS

While the majority of the preparation of this report is performed by the staff of the Finance Department, it could not have been accomplished without the assistance from the other City departments that provided information. We would like to express our sincere appreciation to the City staff that assisted the Finance Department for their contribution in its preparation. We would

also like to thank the Mayor and City Commission for their interest in the financial operations of the City and for their unwavering support in financial planning for the City in a responsible, responsive, and forward-looking manner.

Humbly submitted,



Amy L. Davis, MPA, CFGO
City Manager



Mike Munger, MPA
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Treasure Island
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

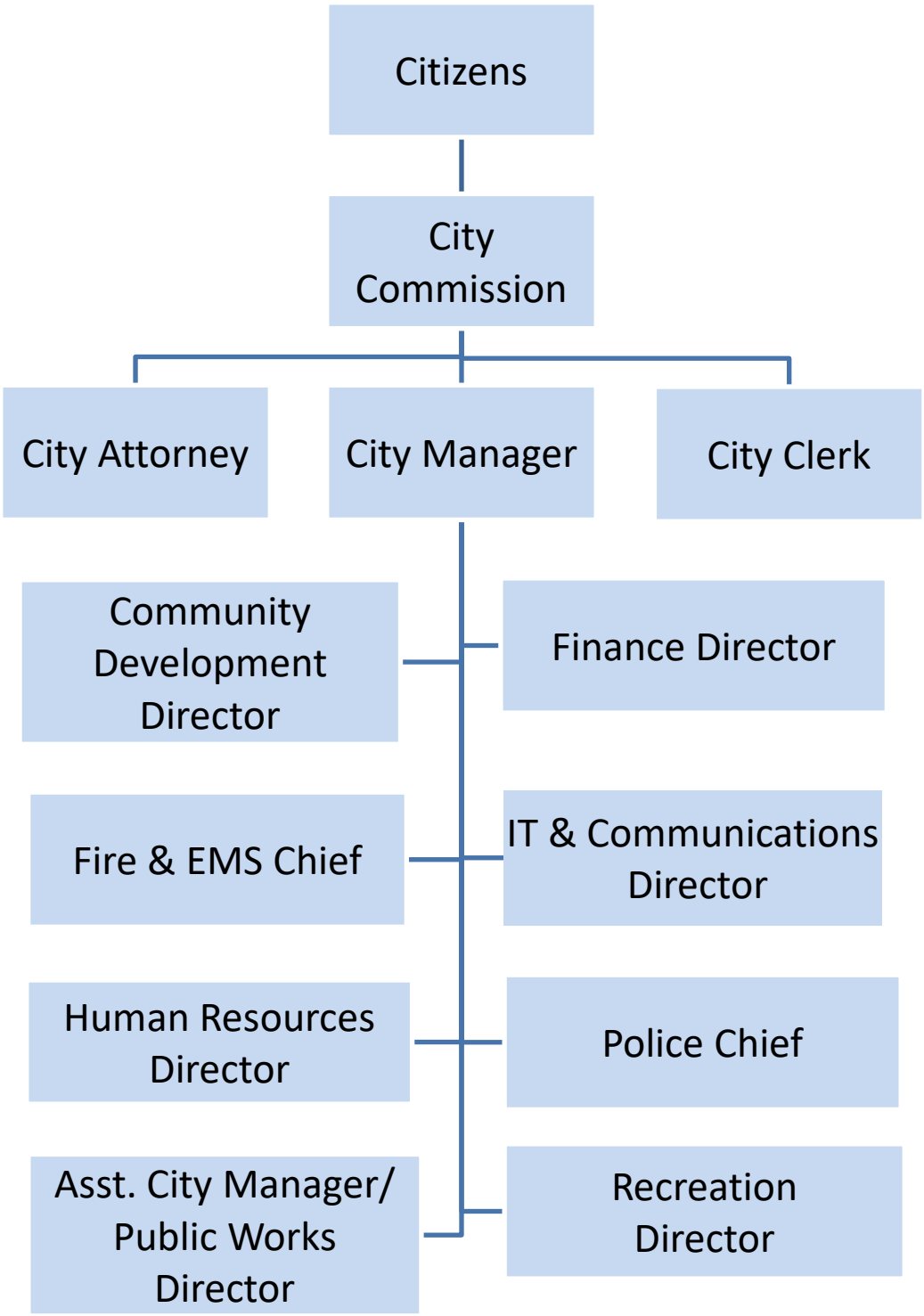
September 30, 2021

Christopher P. Morrill

Executive Director/CEO

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City of Treasure Island, FL
Organizational Chart



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City of Treasure Island, Florida
List of Elected and Appointed Officials
As of September 30, 2022

Elected Officials

Mayor	Tyler Payne
Commissioner, District 1	Deborah Toth
Commissioner, District 2	John Doctor
Commissioner, District 3	Saleene Patridge
Commissioner, District 4	Beth Wetzel

Appointed Officials

City Manager	Amy Davis
City Attorney	Jennifer Cowan
City Clerk	Celine Kidwell
Community Development	Kathryn Younkin
Finance Director	Mike Munger
Asst. City Manager/Fire & EMS Chief	William “Trip” Barrs
Police Chief	John Barkley
IT Director	Chris Pagan
Human Resources Director	Tiffany Makras
Public Works Director	Mike Helfrich
Recreation Director	Cathy Hayduke
Public Information Officer	Jason Beisel

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II. FINANCIAL SECTION

This section contains the following subsections:

INDEPENDENT AUDITORS' REPORT

MANAGEMENT'S DISCUSSION & ANALYSIS (MD&A)

BASIC FINANCIAL STATEMENTS

REQUIRED SUPPLEMENTARY INFORMATION

COMBINING FINANCIAL STATEMENTS

SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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INDEPENDENT AUDITORS' REPORT

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CRI CARR RIGGS & INGRAM
CPAs and Advisors

Carr, Riggs & Ingram, LLC
3000 Bayport Drive
Suite 500
Tampa, FL 33607

813.855.3036
813.207.2998 (fax)
CRIcpa.com

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Commission
City of Treasure Island, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Treasure Island, Florida (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, each major fund, and the aggregate remaining fund information of the City of Treasure Island, Florida as of September 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Local Option Sales Tax Fund, the Building Fund and City Hall Remodel fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules listed in the table of contents as "required supplementary information", be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, and the schedule of state financial assistance, as required by Chapter 10.550, *Rules of the Auditor General,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic 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 combining and individual nonmajor fund financial statements, schedules and schedule of expenditure of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC
Tampa, Florida
June 30, 2023

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MANAGEMENT'S DISCUSSION
&
ANALYSIS (MD&A)

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City of Treasure Island, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Treasure Island, we offer readers of the city's financial statements this narrative overview and analysis of the city's financial activities for the fiscal year ended September 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information in the letter of transmittal, which can be found on pages 3 - 8 of this report.

Financial Highlights

- The assets plus deferred outflows of resources of the City exceeded liabilities plus deferred inflows of resources at the close of the current fiscal year by $90,669,571 (*net position*). Of this amount, $11,304,830 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- Total assets of the City equal $111,481,718 and total liabilities are $21,635,794 as of the close of the current fiscal year.
- Deferred outflows are $1,874,436 and deferred inflows are $1,050,789 as of the close of the current fiscal year.
- Government-wide revenues for Governmental activities are $20,380,839 and expenses are $15,734,272.
- Fund statements for Governmental Funds reported total revenues of $20,344,988 and expenditures of $18,912,048, with $35,851 in other sources of funding.
- Government-wide revenues for Business-type activities are $9,836,456 and expenses are $8,124,495.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $15,318,088. $6,249,561 is *available for spending* at the City's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unassigned fund balance for the general fund was $6,249,561, or 43% of total general fund expenditures net of transfers and 34% of total general fund revenues.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise of three components:

1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

This report was prepared following Government Accounting Standards Board (GASB) Statement No. 34 *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*. Following, is a brief explanation of the sections of this report. Please refer to the

Notes to the Financial Statements beginning on page 57 for more detailed information on the provisions of this statement.

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. These include the ***Statement of Net Position*** and the ***Statement of Activities***.

The *statement of net position* presents information on all the City's assets and liabilities, 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 City's net position changed during the most recent 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.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both 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, public safety, public works, and culture and recreation. The business-type activities of the City include the Wastewater Fund (for collection and transmission of wastewater), the Solid Waste Fund (for collection and disposal of all solid wastes), and the Stormwater Management Fund (for collecting and managing the City's stormwater). If applicable, the *government-wide financial statements* would include not only the City itself (known as the *primary government*), but also any *component* units. The city has no component units as of September 30, 2021.

The government-wide financial statements can be found on pages 41 – 43 of this report.

Fund financial statements. A *fund* is a grouping 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 and/or show operating performance. The City has both governmental funds and proprietary 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 city's short-term funding needs.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, 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, readers may better understand the long-term impact of the City's short-term funding 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 maintained eight individual governmental funds during this fiscal year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund (001), the Local Option Sales Tax Fund (123), City Hall Remodel Fund (302), and Building Fund (140), which are major funds. Data from the other four governmental funds (County Gas Tax - 126, Gulf Blvd. Beautification - 301, Debt Service - 201, and Transportation Trust Funds - 127) are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement or schedule has been provided for each fund with a legally adopted budget to demonstrate compliance with its budget.

The basic governmental fund financial statements can be found on pages 44 – 51 of this report.

The City's *Proprietary funds* are maintained as *Enterprise funds*. They are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its Wastewater, Solid Waste, and Stormwater Management services.

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 Wastewater, Solid Waste and Stormwater Management funds which are major funds of the City.

The basic proprietary fund financial statements can be found on pages 52 – 54 of this report.

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 can be found beginning on page 57 of this report.

The ***Combining Statements*** referred to earlier in connection with non-major governmental funds are presented immediately following the *notes to the financial statements*. Combining and individual fund statements and schedules can be found beginning on page 102 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Treasure Island, assets (*plus deferred outflows of resources*) exceeded liabilities (*plus deferred inflows of resources*) by $92,378,803 at the close of the most recent fiscal year.

A large portion of the City's net position (84 percent) reflects its investment in capital assets (e.g., land, buildings, infrastructure, and equipment) less any related debt used to acquire those assets that are 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. Below is a summary chart of the City's net position, comparing the current year versus the prior year.

	Governmental Activities		Business-type Activities		Total	
As of September 30,	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Current and other assets	$ 16,082,899	$ 15,266,329	$ 9,774,985	$ 6,702,945	$ 25,857,884	$ 21,969,274
Capital assets	70,047,572	67,727,039	15,576,262	14,319,842	85,623,834	82,046,881
Total assets	86,130,471	82,993,368	25,351,247	21,022,787	111,481,718	104,016,155
Deferred outflows of resources	1,851,771	1,637,984	22,665	27,426	1,874,436	1,665,410
Liabilities:						
Long-term	15,117,167	11,689,969	1,227,843	1,350,259	16,345,010	13,040,228
Other liabilities	1,781,244	2,517,359	3,509,540	820,984	5,290,784	3,338,343
Total liabilities	16,898,411	14,207,328	4,737,383	2,171,243	21,635,794	16,378,571
Deferred inflows of resources	1,026,831	5,013,591	23,958	5,360	1,050,789	5,018,951
Net position:						
Net investment in capital assets	61,123,238	58,146,367	14,457,397	13,167,044	75,580,635	71,313,411
Committed	1,153,352	-	-	-	1,153,352	-
Restricted	2,630,754	4,876,218	-	-	2,630,754	4,876,218
Unrestricted	5,149,656	2,387,848	6,155,174	5,706,566	11,304,830	8,094,414
Total net position	$ 70,057,000	$ 65,410,433	$ 20,612,571	$ 18,873,610	$ 90,669,571	$ 84,284,043

Please refer to the *Statement of Net position* on page 41 for specific numerical data.

Governmental activities. The City's net position for Governmental Activities had an increased by a total of $4,646,567. In FY22, the total governmental activities revenue increased by $2.69 million primarily related to receiving grant revenues received from projected expended in FY21 or prior.

Business-type activities. Business-type activities increased the City's net position by $1,738,961. Key elements of this increase are because Wastewater and Stormwater Rates were increased more than expenses increased because the City is planning in making significant infrastructure investments as the sewer and stormwater systems in the City are aging. The City is funding the upgrades in infrastructure with a pay-as-you-go or cash approach as much as possible versus borrowing and as a result requires the increasing of fund balances. These significant capital projects will lengthen the life of the system and will reduce the number of unanticipated repairs throughout the year.

Following is a comparative summary chart of the City's statement of activities:

For the Fiscal Year Ended	Governmental Activities		Business-type Activities		Total	
September 30,	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Revenues:						
Program revenues:						
Charges for services	$ 5,648,929	$ 5,376,647	$ 9,443,503	$ 8,657,719	$ 15,092,432	$ 14,034,366
Operating grants and contributions	591,024	533,537	-	-	591,024	533,537
Capital grants and contributions	1,327,915	-	356,851	39,567	1,684,766	39,567
General revenues:						
Ad Valorem taxes	8,224,289	7,387,916	-	-	8,224,289	7,387,916
Other taxes	3,299,217	3,004,867	-	-	3,299,217	3,004,867
Other general revenues	1,289,465	1,385,787	63,102	125,178	1,352,567	1,510,965
Total revenues	20,380,839	17,688,754	9,863,456	8,822,464	30,244,295	26,511,218
Expenses:						
General government	4,431,208	4,336,948	-	-	4,431,208	4,336,948
Public safety	6,191,198	5,647,693	-	-	6,191,198	5,647,693
Public works	2,857,125	2,429,509	-	-	2,857,125	2,429,509
Culture and recreation	2,039,314	1,825,754	-	-	2,039,314	1,825,754
Interest on long-term debt	215,427	237,234	-	-	215,427	237,234
Water pollution Control	-	-	4,998,257	4,572,025	4,998,257	4,572,025
Solid waste	-	-	2,347,496	2,265,515	2,347,496	2,265,515
Stormwater management	-	-	778,742	694,960	778,742	694,960
Total Expenses	15,734,272	14,477,138	8,124,495	7,532,500	23,858,767	22,009,638
Change in net position	4,646,567	3,211,616	1,738,961	1,289,964	6,385,528	4,501,580
Net position:						
Beginning of year	65,410,433	62,198,817	18,873,610	17,583,646	84,284,043	79,782,463
End of year	$ 70,057,000	$ 65,410,433	$ 20,612,571	$ 18,873,610	$ 90,669,571	$ 84,284,043

Please refer to the *Statement of Activities* on pages 42 – 43 for specific numerical data or both governmental and business-type activities.

Financial Analysis of the City's Funds

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

General Fund Budgetary Highlights

The General Fund's original budget was $16,043,384. With supplemental appropriations included, the General Fund's final budget was $20,828,548 (including transfers out) and can be briefly summarized as follows:

• General government	$ 3,238,952
• Public safety	$ 5,647,359
• Public works	$ 2,381,883
• Culture and recreation	$ 2,042,238
• Capital Outlay	$ 6,056,647
• Transfers Out	$ 1,461,469

The transfers out from the General Fund were for the City's annual debt service and the City Hall Remodeling. The debt service component ($968,610) was included in the FY22 adopted budget while the remaining $492,859 for the City Hall remodel fund (302) was a mid-year appropriation via Ordinance 2022-01 to cover projected project cost shortfalls.

Actual General Fund expenditures were less than budgeted throughout the departments, however, of the approximate $6M expense budget surplus, $5.2M was carried forward to FY23 to complete the various projects. General Fund revenues were higher than budgeted and greater than expenditure, generating an increase in the overall fund balance. The electric utility service tax, and franchise fees, sales tax related state revenue share collected were also higher than anticipated and exceeded budget.

Please refer to the *Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – General Fund* on page 48 for specific numerical data.

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. 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.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of $15,318,088 an increase of $1,468,791 in comparison with the prior year. $2,630,754 of this balance constitutes restricted fund balance for funds collected through the Green Utility Fee, and public infrastructure funds in the Penny fund which are restricted by Pinellas County ordinance. The committed fund balance of $1,824,707 is for supporting the Treasure Island Causeway and Bridge's capital maintenance projects and the City Hall Renovation capital project. The unassigned fund balance of $6,249,561 is available for spending at the government's discretion, while the remainder of the fund balance $1,432 is for non-spendable to include inventory and prepaid expenditures.

The General Fund is the primary operating fund of the City to provide services. At the end of FY22 the unassigned fund balance of the General Fund was $6,249,561, while total fund balance was $11,575,467. The unassigned fund balance increased by approximately $2.4M, split roughly equally between operating expenses coming in less than budget and revenues that were collected at more than budget. Savings in personal services alone totaled $519,323, again reflecting vacant positions as they relate to the ongoing labor market instability. The balance of the expense savings driving the unassigned increase is related to operating cost savings, as most un-spent capital is carried forward to the successive fiscal year. Excluding grant revenues, the true revenue surplus was driven primarily by Metered Parking and Parking Fines collecting $316,742 than was budgeted. The Half-Cent sales tax receipts were 20% more than was budgeted, reflecting conservative budgeting leading into FY22 that was confounded by consumer spending and core inflation. Additionally, revenues from recreation fees (community events, golf/tennis, beach review, etc.) collected almost $200,000 more than was budgeted, indicating a high level of usage of our recreation amenities.

General Fund
Statement of Revenues, Expenditures, and
Changes in Fund Balance
For the Fiscal Year Ended September 30, 2022

Revenues:		
Ad Valorem Taxes	$ 8,224,289	
Other Taxes	2,074,824	
Licenses and Permits	165,410	
Intergovernmental	2,987,019	
Charges for Services	4,534,962	
Fines and Forfeitures	261,755	
Investment Earnings	37,663	
Contributions and Donations	6,385	
Miscellaneous Revenues	131,862	
Total Revenues		18,424,169
Expenditures:		
General Government	2,755,941	
Public Safety	5,478,672	
Public Works	1,945,141	
Culture and Recreation	1,926,610	
Capital outlay	2,289,799	
Total Expenditures		14,396,163
Other Financing Sources (Uses):		
Transfers Out	(1,461,469)	
Sale of Capital Assets	35,851	
Total Other Financing Sources (Uses)		(1,425,618)
Net Change in Fund Balance		2,602,388
Fund Balance - Beginning		8,973,079
Fund Balance - Ending		$ 11,575,467

Other key factors in this change in the overall fund balance in the General Fund are as follows:

- $565,278 decrease to the *committed* fund balance for the Treasure Island Causeway and Bridge as a result of significant capital spending
- $816,908 net increase to the *assigned fund balances* reflecting increased project carried forwards and encumbrances that were appended to the next year's budget
- The remaining changes in fund balance represent a decrease in non-spendable assets ($7,458) and in donations for a special purpose ($149).
- The balance of the changes are attributed to the unassigned fund balance changes described above

The Local Option Sales Tax Fund has a total fund balance of $1,562,453 which is an increase from the prior year due to revenues exceeding expenditures. The revenues from this 1¢ county sales tax came in 18% greater than the conservative budget, reflecting high consumer demand despite core inflation. The fund balance in the Local Option Sales Tax is a function of how many projects are completed each year compared to the revenue. The major projects funded within the Local Option Sales Tax Fund are the street pavement management program, seawall and recreational facilities rehabilitation or replacement, and the purchase of public safety vehicles and equipment. The timing of the projects from year to year that the City has control over can vary, which will impact the fund balance from year to year.

The Building Fund has a total fund balance of $806,522, an increase of $90,410 from the prior year. The increase comes in the face of permit fees being held flat for FY22, after a 33% reduction in FY21. The city is still in compliance, but care needs to be given in light of the Florida statute requiring the fund balance being carried over into the next year to not be exceed the prior four-year expenditure average. This calculation is performed as part of the annual budget development process and rates are adjusted accordingly when the fund balance is projected to be noncompliant.

The City Hall Renovation Fund has a total fund balance of $1,124,227, a decrease of $1,829,000 from the prior year, reflecting ongoing construction activity. This fund was established in FY20 by an ordinance to simplify the tracking of the project and to enhance the transparency. It may be used in future FYs as the city contemplates future capital costs for construction.

The Non-Major Governmental Funds consist of the County Gas Tax, the Capital Improvement Funds, Transportation and Debt Service Funds had a decrease of $16,401 in total fund balance. This decrease is due the timing of capital projects expenditures.

Please refer to the *Balance Sheet – Governmental Funds* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds* on pages 44 & 46 for specific numerical data.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Following is a summary chart of the City's enterprise funds revenues, expenses, and changes in net position.

	Wastewater Fund	Solid Waste	Stormwater Management	Total
Operating Revenue	$ 5,573,882	$ 2,388,723	$ 1,483,183	$ 9,445,788
Operating Expenses	4,976,698	2,347,496	778,742	8,102,936
Operating Income (Loss)	597,184	41,227	704,441	1,342,852
Nonoperating Revenues	22,504	25,782	12,531	60,817
Nonoperating Expenses	(21,559)	-	-	(21,559)
Income before capital contributions	598,129	67,009	716,972	1,382,110
Capital contributions	26,696	4,905	325,250	356,851
Change in net position	624,825	71,914	1,042,222	1,738,961
Total Beginning Net Position as Restated	10,050,462	2,175,835	6,647,313	18,873,610
Total Ending Net Position	$ 10,675,287	$ 2,247,749	$ 7,689,535	$ 20,612,571

Please refer to the *Statement of Net position – Proprietary Funds* and the *Statement of Revenues, Expenses and Changes in Fund Net position – Proprietary Funds* on pages 52 – 53 for specific numerical data.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of September 30, 2022 amounts to $75,834,066 (net of related debt). This investment in capital assets includes land, buildings and system, improvements, machinery and equipment and construction in progress.

Additional information on the City's capital assets can be found in the Notes on pages 72 – 73 of this report.

Long-term debt. The City has four existing loan agreements, two loans with the Florida Department of Environmental Protection Clean Water State Revolving Fund for principal amounts of $676,351 and $401,319: and two loans with Truist Bank (previously BB&T) for the Palm & Capri Bridges for $1,564,598 and for the purchase of the new City Hall property for $ 7,147,500. Information on these loan agreements can be found as part of NOTE 2 in the Notes to the Financial Statements on pages 74 – 77.

Economic Factors and Next Year's Budgets & Rates

Treasure Island has enjoyed a stable and growing economy with most revenue streams increasing or at least reaming stable. The City has surpassed the previous property valuation peak of 2007-2008 before the Great Recession. While receiving the tax base is vital for long-term stability, trying to forecast future valuation changes is proving to be difficult. This is a result of the macroeconomic dichotomy between a surge in interest rates drying up the credit market, combined with a strong sellers' market. The influx of new residents buying into the city and state is resulting in a wave of property valuation "resets" per the state's Save Our Homes property tax program. It is difficult to gage this churn in the residential market, or at least separate the impacts of this unique situation from the typical inflationary forces that can be more easily predicted. Being a small full-service city with police, fire, and three utility funds Treasure Island values maintaining a robust financial plan to

ensure fund availability. Unusual uncertainty in the future of property valuations will likely result in conservative projections in the immediate future.

The City continues to adjust to the post COVID-landscape as the ramifications are still echoing more than three years since the initial WHO declaration. Florida has been one of the states to see a significant population influx. Being a more affluent community than the state of national average, has meant that this influx has remained steady immediately before and through the pandemic. Per Pinellas County data, the city's transactions for single-family residential properties has not varied far from about 600 transactions annually with an average just value of approximately $622,000.

As part of the regular budget monitoring process, the Finance department prepares periodic reports that the Departments, City Manager and City Commission can use to follow the actual performance of revenue and expenditure estimates. At the end of July, an analysis of the budget estimates versus the actual expenditures is performed to assess the need for any supplemental appropriations. If necessary, the City Commission may consider passing a supplemental appropriations resolution prior to the end of the fiscal year.

The City continues to monitor the financial status and current performance in all its funds. In FY 2022, the property tax rate was increased by 0.2 mils for the portion allocated for the Bascule Bridge and Causeway. The 0.2 mils was a result of the Commission "skipping" a year in 2021 of the five-year plan to increase this allocation to 0.5 mils. A long-range financial plan that was prepared by a consultant in FY2021 confirmed that a dedicated 0.50 mills would be sufficient to cover capital needs for the bridge and causeway over the expected life of the bridge.

The City executed an agreement for the American Rescue Plan Act (ARPA) Coronavirus Local Fiscal Recovery Fund Agreement in October 2021 following the enactment of American Rescue Plan Act through the State of Florida, Division of Emergency Management. The total allocation for the city is $3,466,408. The City received the first half of the allocation in October 2021 and the second tranche in October 2022. The first $400,000 was claimed under the replacement for loss of revenue, and the remainder will be claimed to reconstruct and elevate the City's Wastewater Master Lift Station, arguably the most critical infrastructure in the City. Finance staff recategorized the collected $3,000,000 as unearned revenue as the city has not yet realized any of the construction expenses.

Another Wastewater rate increase was required for FY22 as Treasure Island is subject to cost increases from the City of St. Petersburg who processes the city's waste flows. This rate—referred to as the pass-through-rate—ensures the City recovers the cost of sewer treatment from usage by customers. The City of St. Petersburg not only has Treasure Island as a bulk customer, but also the Cites of South Pasadena and St. Pete Beach. In addition to their own residents' needs, St. Petersburg is aware that their primary pump station serving their 3 municipal customers is in need of replacement and upgrade. These are likely to be very costly repairs and is likely to cause other large annual rate increases to our customers. While the City is currently prioritizing the reconstruction of our Master Lift Station, developing strategies to explore a reduction in these bulk rate charges is the next major priority for this fund.

A base refuse fee increase of 6% across the board was implemented as of December 2021 to keep pace with inflationary factors and primarily to increase the fund balance in anticipation for the garbage truck replacements beginning in FY24. The recycling rate for single family customers was held flat based on the anticipated program needs.

A 10% Stormwater rate was also implemented as of December 2022 as part of a multi-year plan to build up this fund to support the required infrastructure improvements to the stormwater management system. A Stormwater Fee assessment was performed in FY23 and will be implemented in FY24. This fund is anticipated to generate much more financial activity over the next few years with long-overdue projects being planned.

Lastly, the remodel of the new City Hall building has been delayed due to the pandemic, but it is expected to be completed by the end of July 2023.

Contacting the City's Finance Department

This comprehensive annual financial report is designed to provide a general overview of the City of Treasure Island's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Treasure Island Finance Department, 120 108th Avenue, Treasure Island, Florida 33706. You may visit the City's website at www.mytreasureisland.org or send email to Finance@mytreasureisland.org.

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BASIC FINANCIAL STATEMENTS

The basic financial statements include the government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present financial information about the reporting government as a whole. The fund financial statements present financial information about major funds individually and non-major funds in the aggregate. The notes to the financial statements present information essential for a fair presentation of the financial statements not displayed on the face of the financial statements.

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City of Treasure Island, Florida
Statement of Net Position
September 30, 2022

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 15,273,107	$ 8,168,099	$ 23,441,206
Receivables	808,360	1,606,886	2,415,246
Prepaid items	1,432	-	1,432
Capital assets			
Land	8,589,387	13,885	8,603,272
Buildings	3,857,076	-	3,857,076
Improvements	73,445,659	22,904,759	96,350,418
Machinery and equipment	4,383,937	5,943,876	10,327,813
Construction in Progress	4,970,745	425,852	5,396,597
Accumulated depreciation	(25,199,232)	(13,712,110)	(38,911,342)
Total assets	86,130,471	25,351,247	111,481,718
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows for pensions	1,755,158	-	1,755,158
Deferred outflows for OPEB	96,613	22,665	119,278
Total deferred outflows of resources	1,851,771	22,665	1,874,436
LIABILITIES			
Accounts payable	479,087	480,414	959,501
Accrued liabilities	285,724	29,126	314,850
Unearned revenue			
American Rescue Plan Act	-	3,000,000	3,000,000
Noncurrent liabilities:			
Due within one year	1,016,433	103,694	1,120,127
Due in more than one year	15,117,167	1,124,149	16,241,316
Total liabilities	16,898,411	4,737,383	21,635,794
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows for pensions	924,716	-	924,716
Deferred inflows for OPEB	102,115	23,958	126,073
Total deferred inflows of resources	1,026,831	23,958	1,050,789
NET POSITION			
Net investment in capital assets	61,123,238	14,457,397	75,580,635
Comitted:			
Capital projects	1,151,762	-	1,151,762
Debt service	1,590	-	1,590
Restricted:			
Building division	806,522	-	806,522
Infrastructure improvements	1,562,453	-	1,562,453
Capital projects	41,485	-	41,485
Road improvements	220,294	-	220,294
Unrestricted	5,149,656	6,155,174	11,304,830
Total net position	$ 70,057,000	$ 20,612,571	$ 90,669,571

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Activities
Year ended September 30, 2022

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	$ 4,431,208	$ 1,233,176	$ 6,385	$ -
Public safety	6,191,198	2,070,042	477,676	-
Public works	2,857,125	1,601,966	81,963	1,327,915
Culture and recreation	2,039,314	743,745	25,000	-
Interest on long-term debt	215,427	-	-	-
Total governmental activities	15,734,272	5,648,929	591,024	1,327,915
Business-type activities:				
Wastewater	4,998,257	5,573,882	-	26,696
Solid waste	2,347,496	2,386,438	-	4,905
Stormwater management	778,742	1,483,183	-	325,250
Total business-type activities	8,124,495	9,443,503	-	356,851
Total primary government	$ 23,858,767	$ 15,092,432	$ 591,024	$ 1,684,766

General Revenues:
- Property taxes
- Utility taxes
- Franchise fees
- Unrestricted Intergovernmental Revenues:
  - State revenue sharing
  - Communications services tax
  - Half-cent sales tax
  - Local option gas tax
  - Infrastructure sales surtax
  - Other taxes
- Unrestricted investment earnings
- Miscellaneous

Total general revenues

Change in net position

Net Position - beginning of year

Net Position - end of year

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Activities (Continued)
Year ended September 30, 2022

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
	$ (3,191,647)	$ -	$ (3,191,647)
	(3,643,480)	-	(3,643,480)
	154,719	-	154,719
	(1,270,569)	-	(1,270,569)
	(215,427)	-	(215,427)
	(8,166,404)	-	(8,166,404)
	-	602,321	602,321
	-	43,847	43,847
	-	1,029,691	1,029,691
	-	1,675,859	1,675,859
	$ (8,166,404)	$ 1,675,859	$ (6,490,545)
	$ 8,224,289	$ -	$ 8,224,289
	1,267,207	-	1,267,207
	807,617	2,285	809,902
	253,326	-	253,326
	277,079	-	277,079
	558,945	-	558,945
	90,973	-	90,973
	1,004,193	-	1,004,193
	100,820	-	100,820
	49,835	21,006	70,841
	178,687	39,811	218,498
	12,812,971	63,102	12,876,073
	4,646,567	1,738,961	6,385,528
	65,410,433	18,873,610	84,284,043
	$ 70,057,000	$ 20,612,571	$ 90,669,571

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Balance Sheet
Governmental Funds
September 30, 2022

	Major Governmental Funds				Non Major Governmental Funds	Total Governmental Funds
	General	City Hall Remodel	Local Option Sales Tax	Building		
ASSETS						
Cash and cash equivalents	$ 11,641,154	$ 1,252,458	$ 1,356,210	$ 834,832	$ 188,453	$ 15,273,107
Receivables						
Taxes:						
Utility	168,188	-	-	-	-	168,188
Franchise fees	83,559	-	-	-	-	83,559
Accounts	98,387	-	-	-	-	98,387
Intergovernmental:						
State	157,807	-	237,491	-	60,966	456,264
County	1,962	-	-	-	-	1,962
Prepaid items	1,432	-	-	-	-	1,432
Total assets	$ 12,152,489	$ 1,252,458	$ 1,593,701	$ 834,832	$ 249,419	$ 16,082,899
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	$ 297,767	$ 128,231	$ 31,248	$ 21,841	$ -	$ 479,087
Accrued liabilities	269,453	-	-	2,548	-	272,001
Due to other governments	9,802	-	-	3,921	-	13,723
Total liabilities	577,022	128,231	31,248	28,310	-	764,811
Fund balances:						
Nonspendable	1,432	-	-	-	-	1,432
Restricted	13,950	-	1,562,453	806,522	247,829	2,630,754
Committed	698,890	1,124,227	-	-	1,590	1,824,707
Assigned	4,611,634	-	-	-	-	4,611,634
Unassigned	6,249,561	-	-	-	-	6,249,561
Total fund balances	11,575,467	1,124,227	1,562,453	806,522	249,419	15,318,088
Total liabilities and fund balances	$ 12,152,489	$ 1,252,458	$ 1,593,701	$ 834,832	$ 249,419	$ 16,082,899

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position
September 30, 2022

Fund balances - total governmental funds.	$	15,318,088
Capital assets used in governmental activities are not financial resources and are therefore not reported in governmental funds.		70,047,572
Long-term debt not due and payable in current period and, therefore; not reported the in governmental funds.		(8,712,098)
Some liabilities, compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		(800,275)
The net pension liability is not due and payable in the current period and, therefore, not reported in the governmental funds.		(6,350,377)
The total OPEB liability is not due and payable in the current period and, therefore, not reported in the governmental funds.		(270,850)
Deferred outflows and inflows of resources related to pension and OPEB are applicable to future periods and, therefore, are not reported in governmental funds.		
Deferred outflows of resources for pensions		1,755,158
Deferred outflows of resources for OPEB		96,613
Deferred inflows of resources for pensions		(924,716)
Deferred inflows of resources for OPEB		(102,115)
Net position of governmental activities	$	70,057,000

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds
Year ended September 30, 2022

	Major Governmental Funds				Non Major Governmental Funds	Total Governmental Funds
	General	City Hall Remodel	Local Option Sales Tax	Building		
REVENUES						
Taxes:						
Ad valorem taxes	$ 8,224,289	$ -	$ -	$ -	$ -	$ 8,224,289
Franchise fees	807,617	-	-	-	-	807,617
Utility services taxes	1,267,207	-	-	-	-	1,267,207
Business fees and permits	165,410	-	-	763,880	-	929,290
Intergovernmental	2,987,019	-	1,004,193	-	129,601	4,120,813
Charges for services	4,534,962	-	-	-	-	4,534,962
Fines and forfeitures	261,755	-	-	-	-	261,755
Investment earnings	37,663	4,966	3,742	2,456	1,007	49,834
Contributions and donations	6,385	-	-	-	-	6,385
Miscellaneous revenues	131,862	-	-	10,974	-	142,836
Total revenues	18,424,169	4,966	1,007,935	777,310	130,608	20,344,988
EXPENDITURES						
Current:						
General government	2,755,941	-	-	-	-	2,755,941
Public safety	5,478,672	-	-	686,900	-	6,165,572
Public works	1,945,141	-	-	-	114,508	2,059,649
Culture and recreation	1,926,610	-	-	-	-	1,926,610
Debt service:						
Principal retirement	-	-	111,071	-	757,503	868,574
Interest	-	-	4,324	-	211,103	215,427
Capital outlay	2,289,799	2,326,825	271,146	-	32,505	4,920,275
Total expenditures	14,396,163	2,326,825	386,541	686,900	1,115,619	18,912,048
Excess (deficiency) of revenues over expenditures	4,028,006	(2,321,859)	621,394	90,410	(985,011)	1,432,940
Other Financing Sources (Uses)						
Transfers in	-	492,859	-	-	968,610	1,461,469
Transfers out	(1,461,469)		-	-	-	(1,461,469)
Sale of capital assets	35,851		-	-	-	35,851
Total other financing sources (uses)	(1,425,618)	492,859	-	-	968,610	35,851
Net change in fund balances	2,602,388	(1,829,000)	621,394	90,410	(16,401)	1,468,791
Fund balances - beginning	8,973,079	2,953,227	941,059	716,112	265,820	13,849,297
Fund balances - ending	$ 11,575,467	$ 1,124,227	$ 1,562,453	$ 806,522	$ 249,419	$ 15,318,088

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to Statement of Activities
Year ended September 30, 2022

Net change in fund balances - total governmental funds	$	1,468,791
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds. This transaction is not reported on the government-wide financial statements.		868,574
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets. This is the amount by which capital additions, ($4,744,090), exceeded depreciation, ($2,407,712), in the current period.		2,336,378
Disposal of assets is reported in the statement of activities and is not a use of current financial resources and, therefore, not reported as expenditures in governmental funds.		(15,845)
Changes in compensated absences reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(43,430)
Governmental funds report pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits net of employee contributions is reports as pension expense:		
City pension contributions		712,493
Costs of benefits earned net of employee contributions		(669,090)
In the government-wide financial statements, the City reports changes in total OPEB liability and related deferred outflows and inflows; however, this is not reported in the governmental funds:		
City OPEB benefit payment		(35,190)
Changes in total OPEB liability		23,886
Change in net position of governmental activities	$	4,646,567

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes:				
Ad Valorem Taxes	$ 8,258,610	$ 8,258,610	$ 8,224,289	$ (34,321)
Franchise Fees	763,900	763,900	807,617	43,717
Utility Services Taxes	1,261,000	1,261,000	1,267,207	6,207
Licenses and Permits	201,600	201,600	165,410	(36,190)
Intergovernmental	6,011,388	6,011,388	2,987,019	(3,024,369)
Charges for Services	4,204,301	4,204,301	4,534,962	330,661
Fines and Forfeitures	195,000	195,000	261,755	66,755
Investment Earnings	70,000	70,000	37,663	(32,337)
Contributions and Donations	-	-	6,385	6,385
Miscellaneous Revenues	10,000	10,000	131,862	121,862
Total Revenues	20,975,799	20,975,799	18,424,169	(2,551,630)
EXPENDITURES				
Current:				
General Government	3,071,963	3,238,952	2,755,941	483,011
Public Safety	5,757,904	5,647,359	5,478,672	168,687
Public Works	2,239,234	2,381,883	1,945,141	436,742
Culture and Recreation	2,018,428	2,042,238	1,926,610	115,628
Capital outlay:				
General Government	238,910	265,910	200,635	65,275
Public Safety	78,900	69,753	70,639	(886)
Public Works	2,516,280	5,557,785	1,924,951	3,632,834
Culture and Recreation	121,765	163,199	93,574	69,625
Total Expenditures	16,043,384	19,367,079	14,396,163	4,970,916
Excess (deficiency) of revenues over expenditures	4,932,415	1,608,720	4,028,006	2,419,286
Other Financing Sources (Uses)				
Transfers Out	(968,610)	(1,461,469)	(1,461,469)	-
Sale of capital assets	-	-	35,851	35,851
Total other financing sources (uses)	(968,610)	(1,461,469)	(1,425,618)	35,851
Net change in fund balances	3,963,805	147,251	2,602,388	2,455,137
Fund Balance - Beginning	8,973,079	8,973,079	8,973,079	-
Fund Balance - Ending	$ 12,936,884	$ 9,120,330	$ 11,575,467	$ 2,455,137

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Local Option Sales Tax Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Option Sales Tax	$ 850,000	$ 850,000	$ 1,004,193	$ 154,193
Investment Earnings	7,000	7,000	3,742	(3,258)
Grants-Local Governement	60,750	60,750	-	(60,750)
Total Revenues	917,750	917,750	1,007,935	90,185
EXPENDITURES				
Capital Outlay:				
Public Safety	181,280	181,280	2,913	178,367
Public Works	545,000	1,139,357	174,751	964,606
Culture and Recreation	360,300	552,975	93,482	459,493
Debt Service:				
Principal Retirement	111,071	111,071	111,071	-
Interest	4,324	4,324	4,324	-
Total Expenditures	1,201,975	1,989,007	386,541	1,602,466
Excess of revenues over expenditures	(284,225)	(1,071,257)	621,394	1,692,651
Other Financing Sources (Uses)				
Sale of capital assets	5,000	5,000	-	(5,000)
Total other financing sources (uses)	5,000	5,000	-	(5,000)
Net change in fund balances	(279,225)	(1,066,257)	621,394	1,687,651
Fund Balance - Beginning	941,059	941,059	941,059	-
Fund Balance - Ending	$ 661,834	$ (125,198)	$ 1,562,453	$ 1,687,651

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – Building Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	$ 552,000	$ 552,000	$ 763,880	$ 211,880
Investment Earnings	5,000	5,000	2,456	(2,544)
Miscellaneous	-	-	10,974	10,974
Total Revenues	557,000	557,000	777,310	220,310
EXPENDITURES				
Current:				
Public Safety	750,851	780,431	686,900	93,531
Total Expenditures	750,851	780,431	686,900	93,531
Excess (deficiency) of revenues over (under) expenditures	(193,851)	(223,431)	90,410	313,841
Fund Balance - Beginning	716,112	716,112	716,112	-
Fund Balance - Ending	$ 522,261	$ 492,681	$ 806,522	$ 313,841

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – City Hall Remodel Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Investment Earnings	$ -	$ -	$ 4,966	$ 4,966
Total Revenues	-	-	4,966	4,966
EXPENDITURES				
Capital Outlay	-	3,449,086	2,326,825	1,122,261
Total Expenditures	-	3,449,086	2,326,825	1,122,261
Excess (deficiency) of revenues over (under) expenditures	-	(3,449,086)	(2,321,859)	1,127,227
Other Financing Sources (Uses)				
Transfers In	-	492,859	492,859	-
Total other financing sources (uses)	-	492,859	492,859	-
Net change in fund balances	-	(2,956,227)	(1,829,000)	1,127,227
Fund Balance - Beginning	-	2,953,227	2,953,227	-
Fund Balance - Ending	$ -	$ (3,000)	$ 1,124,227	$ 1,127,227

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Net Position - Proprietary Funds
September 30, 2022

	Business-type Activities - Enterprise Funds			
	Major Enterprise Funds			
	Wastewater	Solid Waste	Stormwater Management	Total
ASSETS				
Current Assets:				
Cash and cash equivalents	$ 5,077,968	$ 1,101,869	$ 1,988,262	$ 8,168,099
Accounts receivable	875,307	393,286	256,701	1,525,294
Due from other governments - State	26,696	-	54,896	81,592
Total current assets	5,979,971	1,495,155	2,299,859	9,774,985
Noncurrent Assets:				
Capital assets:				
Land	13,885	-	-	13,885
Improvements	16,333,735	-	6,571,024	22,904,759
Machinery and equipment	3,496,323	2,119,482	328,071	5,943,876
Construction in progress	195,919	83,146	146,787	425,852
Less accumulated depreciation	(10,869,754)	(1,255,833)	(1,586,523)	(13,712,110)
Total capital assets (net of accumulated depreciation)	9,170,108	946,795	5,459,359	15,576,262
Total noncurrent assets	9,170,108	946,795	5,459,359	15,576,262
Total assets	$ 15,150,079	$ 2,441,950	$ 7,759,218	$ 25,351,247
DEFERRED OUTLOWS OF RESOURCES				
Deferred outflows for OPEB	$ 8,762	$ 11,048	$ 2,855	$ 22,665
LIABILITIES				
Current Liabilities:				
Accounts payable and other accrued expenses	$ 337,105	$ 106,650	$ 36,659	$ 480,414
State Revolving Loan Fund	76,613	-	-	76,613
Accrued compensated absences	7,362	13,492	6,227	27,081
Accrued interest SRF	4,052	-	-	4,052
Accrued wages payable	7,090	13,158	4,826	25,074
Unearned revenue - American Rescue Plan Act	3,000,000	-	-	3,000,000
Total current liabilities	3,432,222	133,300	47,712	3,613,234
Noncurrent liabilities:				
State Revolving Loan Fund	1,001,057	-	-	1,001,057
Accrued compensated absences	16,451	29,298	13,803	59,552
Total OPEB liability	24,563	30,973	8,004	63,540
Total noncurrent liabilities	1,042,071	60,271	21,807	1,124,149
Total liabilities	$ 4,474,293	$ 193,571	$ 69,519	$ 4,737,383
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources for OPEB	$ 9,261	$ 11,678	$ 3,019	$ 23,958
NET POSITION				
Net investment in capital assets	8,089,931	935,825	5,431,641	14,457,397
Unrestricted	2,585,356	1,311,924	2,257,894	6,155,174
Total net position	$ 10,675,287	$ 2,247,749	$ 7,689,535	$ 20,612,571

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Revenues, Expenditures and Changes in Fund Net Position - Proprietary Funds
Year ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Major Enterprise Funds			
	Wastewater	Solid Waste	Stormwater Management	Total
OPERATING REVENUES				
Licenses and permits	$ -	$ 2,285	$ -	$ 2,285
Charges for services	5,573,882	2,386,438	1,483,183	9,443,503
Total operating revenues	5,573,882	2,388,723	1,483,183	9,445,788
OPERATING EXPENSES				
Personal services	341,669	674,206	230,845	1,246,720
Contractual services	3,688,288	727,074	215,728	4,631,090
Materials, supplies, repairs and utilities	427,294	695,987	79,127	1,202,408
Depreciation	519,447	250,229	253,042	1,022,718
Total operating expense	4,976,698	2,347,496	778,742	8,102,936
Operating income	597,184	41,227	704,441	1,342,852
NONOPERATING REVENUES (EXPENSES)				
Investment earnings	11,430	3,667	5,909	21,006
Interest and fees on long-term debt	(21,559)	-	-	(21,559)
Miscellaneous	11,074	22,115	6,622	39,811
Total nonoperating revenues (expenses)	945	25,782	12,531	39,258
Income before capital contributions	598,129	67,009	716,972	1,382,110
Capital contributions	26,696	4,905	325,250	356,851
Change in net position	624,825	71,914	1,042,222	1,738,961
Net position - beginning	10,050,462	2,175,835	6,647,313	18,873,610
Net position - ending	$ 10,675,287	$ 2,247,749	$ 7,689,535	$ 20,612,571

The accompanying notes are an integral part of these financial statements.

City of Treasure Island, Florida
Statement of Cash Flows
Proprietary Funds
Year ended September 30, 2022

	Business-type Activities - Enterprise Funds			
	Major Enterprise Funds			
	Wastewater	Solid Waste	Stormwater Management	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	$ 5,489,720	$ 2,390,948	$ 1,417,605	$ 9,298,273
Payments to suppliers	(4,413,207)	(1,397,257)	(335,521)	(6,145,985)
Payments to employees	(341,409)	(697,556)	(230,641)	(1,269,606)
Other receipts (payments)	11,074	22,115	-	33,189
Net cash provided by operating activities	746,178	318,250	851,443	1,915,871
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets	(786,701)	(274,144)	(1,218,293)	(2,279,138)
Grant proceeds	3,026,696	4,905	325,250	3,356,851
Principal payments on state revolving loan	(75,128)	-	-	(75,128)
Interest paid on state revolving loan	(21,559)	-	-	(21,559)
Net cash provided by (used in) capital and related financing activities	2,143,308	(269,239)	(893,043)	981,026
CASH FLOWS FROM INVESTING ACTIVITIES:				
Investment Earnings	11,430	3,667	5,909	21,006
Net cash provided by investing activities	11,430	3,667	5,909	21,006
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,900,916	52,678	(35,691)	2,917,903
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,177,052	1,049,191	2,023,953	5,250,196
END OF YEAR	$ 5,077,968	$ 1,101,869	$ 1,988,262	$ 8,168,099
Reconciliation of operating income to net cash provided by operating activities:				
Operating income	$ 597,184	$ 41,227	$ 704,441	$ 1,342,852
Adjustments to reconcile operating income to net cash provided by operating activities:				
Depreciation	519,447	250,229	253,042	1,022,718
Other receipts (payments)	11,074	22,115	6,622	39,811
Change in assets and liabilities:				
(Increase) Decrease in accounts receivable	(57,466)	2,225	(17,304)	(72,545)
(Increase) Decrease in due from other governments	(26,696)	-	(54,896)	(81,592)
(Increase) Decrease in deferred outflows	1,840	2,321	600	4,761
Increase (Decrease) in accts payable	(297,625)	25,804	(40,666)	(312,487)
Increase (Decrease) in accrued salaries payable	(599)	2,379	(737)	1,043
Increase (Decrease) in accrued compensated absences	(166)	(27,023)	606	(26,583)
Increase (Decrease) in OPEB liability	(8,004)	(10,093)	(2,608)	(20,705)
Increase (Decrease) in deferred inflows	7,189	9,066	2,343	18,598
Total adjustments	148,994	277,023	147,002	573,019
Net cash provided by operating activities	$ 746,178	$ 318,250	$ 851,443	$ 1,915,871

The accompanying notes are an integral part of these financial statements.

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NOTES TO
FINANCIAL STATEMENTS

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NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Treasure Island, Florida (the "City") maintains its accounting in accordance with generally accepted accounting principles (GAAP), as applied to governmental units, which are promulgated by the Governmental Accounting Standards Board (GASB). A summary of the City's significant accounting policies applied in the preparation of the accompanying financial statements follows.

The Reporting Entity

The City of Treasure Island is a municipal corporation created by the Laws of Florida, 1955-31322. An elected mayor and a four-member commission govern the City. As required by generally accepted accounting principles, these financial statements present the City of Treasure Island (the primary government). The City has no component units as of September 30, 2022.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Separate financial statements are provided for governmental funds, proprietary fund and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds are reported using the *economic resources measurement* focus and the *accrual basis of accounting*.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide Financial Statements (Continued)

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the City's wastewater and sanitation services functions and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

The fund financial statements provide information about the City's funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

The *General* fund is the City's primary operating fund. It accounts for all financial resources except those accounted for in another fund.

The *Local Option Sales Tax* fund accounts for the additional, voter approved, countywide one-cent local option sales tax designated to provide funds for capital items and infrastructure improvements. This tax is commonly referred to as the "Penny for Pinellas."

The *Building* fund is used to account for revenues and expenditures that are restricted by the State of Florida to be used only to enforce and implement the Florida Building Code.

The *City Hall Remodel* fund is used to isolate the budget and expenditures associated with the remodel of the City Hall building purchased in 2020.

The City reports the following proprietary funds:

Major:
The *Wastewater* fund accounts for the operation that collects and treats all wastewater generated within the City.

The *Solid Waste* fund accounts for the operation that collects and disposes of all refuse, recyclable materials and yard waste generated within the City.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (Continued)

The *Stormwater Management* fund accounts for the operation that manages the City's Municipal Stormwater System.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Budgetary Information

Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, special revenue funds and Capital Projects fund.

The appropriated budget is prepared by fund, function, and department. The City Manager may make transfers of appropriations within a fund. Transfers of appropriations between funds require the approval of the commission through an ordinance or budget amendment. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (Continued)

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

Cash and cash equivalents

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments for the City are reported at amortized cost as all investments meet all of the specified criteria in Section I50: *Investments* to qualify to elect to measure their investments at amortized cost. Accordingly, the fair value of the City's position in external investment pools are equal to the value of the pooled shares.

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 "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". Any residual balances between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

The City considers all receivables at September 30, 2022 to be collectible; accordingly, no allowance for doubtful accounts is required. If any amounts are subsequently determined to be uncollectible, they are considered immaterial to the financial statements and will be charged to operations when that determination is made.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Receivables and Payables* (Continued)**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. Long-term borrowings between funds are classified as "advances to other funds" or "advances from other funds" in the fund financial statements. These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for any residual balance outstanding between the governmental and business-type activities at the end of the fiscal year, which are reported in the government-wide financial statements as internal balances.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or business-type funds are netted as part of the reconciliation to the government-wide presentation.

Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

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. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of $5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased. Donated capital assets are recorded at acquisition value at the date of the donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Capital Assets* (Continued)**

Major outlays for capital assets and improvements are capitalized as projects are incurred. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. There was no capitalized interest during the current year.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

	Years
Land	–
Buildings and structures	7 – 75
Improvements	20 – 33
Machinery and equipment	4 – 20

Capital leases are amortized over the lives of the respective leases or the service lives of the leased equipment, whichever is shorter.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The City has two (2) items that qualify for reporting as deferred outflows of resources, the *deferred outflows related to OPEB* and the *deferred outflows related to pensions*, both reported in the government-wide statement of net position and only deferred outflows related to OPEB is reported in the business-type activities statement of net position. The deferred outflows related to OPEB and pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria* and Section P54*: Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

***Deferred Outflows/Inflows of Resources* (Continued)**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has two (2) items that qualify for reporting as deferred inflows of resources. The *deferred inflows related to OPEB* and the *deferred inflows related to pensions* are an aggregate of items related to pensions, both reported in the government-wide statement of net position and only deferred inflows related to OPEB is reported in the business-type activities statement of net position. The deferred inflows related to OPEB and pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: *Pension Activities – Reporting for Benefits Provided through Trusts That*

Meet Specified Criteria and Section P54*: Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided through Trusts That Meet Specified Criteria – Defined Benefit*. The deferred inflows related to OEPB and pensions will be recognized as a reduction to pension expense in future reporting years.

Compensated Absences

The City's policy permits employees to accumulate earned but unused vacation benefits, which are eligible for payment upon separation from government service. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Accumulated sick leave lapses when employees leave employment with the City and, accordingly upon separation from service, no monetary obligation exists.

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 or business-type activities statement of net position.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. The City's proportionate share of OPEB amounts were further allocated to each participating employer based on the contributions paid by each employer. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Categories and Classification of Fund Equity

Net position flow assumption – Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Categories and Classification of Fund Equity **(Continued)**

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Assigned fund balance – 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 committed. The governing council (council) has by resolution authorized the city manager to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenues and Expenditures/Expenses

Program revenues – Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property taxes – Property taxes attach as an enforceable lien on real property and are levied as of October 1st. The tax levy is divided into two billings: the first billing (mailed on August 20) is an estimate of the current year's levy based on the prior year's taxes; the second billing (mailed on November 1) reflects adjustments to the current year's actual levy. The billings are considered past due 30 days after the respective tax billing date, at which time the applicable property is subject to lien, and penalties and interest are assessed.

Proprietary funds operating and nonoperating revenues and expenses – Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Wastewater Fund, Solid Waste Fund, Stormwater Management Fund are charges to customers for sales and services. The Wastewater Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Encumbrances (Continued)

The following are the significant encumbrances at year end:

Governmental Activities:		
General Fund	$	2,152,454
Local Option Sales Tax Fund		716,973
Building Fund		7,541
City Hall Remodel		927,290
Nonmajor Governmental Funds		217,427
Business-Type Activities:		
Wastewater Fund		1,586,954
Solid Waste Fund		40,855
Stormwater Management Fund		1,096,584
Total	$	6,746,078

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 30, 2023 and determined there were no events that occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these consolidated financial statements.

Recently Issued and Implemented Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. There were no significant impacts of implementing this Statement.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (Continued)

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The Statement is being applied prospectively, therefore, there were no significant impacts of implementing this Statement.

NOTE 2: DETAILED NOTES ON ALL FUNDS

Cash Deposits

The City has one cash pool that maintains the deposits of all governmental and enterprise funds of the City. Formal accounting records detail the individual equities of the participating funds. The cash deposits are held by a bank that qualifies as a public depository under the Florida Security and Public Deposits Act, as required by Chapter 280, Florida Statutes, and are considered fully insured.

Investments

Florida Statutes authorize the City to invest in the Local Government Surplus Funds Trust Fund administered by the State Board of Administration, obligations of the U.S. Treasury, and interest-bearing time deposits and savings accounts held in Federal or State chartered banks and savings and loan associations doing business in Florida provided that such deposits are secured by collateral as may be prescribed. It is the City's policy to only invest funds in vehicles specifically authorized by Florida Statutes. The City does not have formal policies relating to credit risk or interest rate risk aside from the policy of only investing in funds administered by the State Board of Administration and obligations of the U.S. government.

Custodial credit risk – Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the City places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

As of September 30, 2022, the City's pension investments are held in street name in the form of stock, debt securities and U.S. government bonds through a financial brokerage firms segregated out from the assets and investments held by other clients of the investment firm and their own assets.

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Investments (Continued)

Interest Rate Risk – Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The City manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The City limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks.

Credit Risk – Section I50: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. The City has limited its credit risk by limiting investments to the safest types of securities, primarily government investment pools. The City's investment objectives are prioritized by safety, liquidity and yield. Time Deposits, including Certificates of Deposit, are collateralized under the State of Florida Qualified Public Depository Program, whereby member institutions are collectively responsible for any individual member's default.

Concentration risk – Section I50: *Investments* of the GASB Codification requires disclosures of investments in any one issuer that represents five percent or more of total investments, excluding investments issued or explicitly guaranteed by the U.S government, investments in mutual funds, external investments pools and other pooled investments. The City's investment policy does not address concentration risk.

Fair Value – GASB Codification Section 3100: *Fair Value Measurements* establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

The three levels of the fair value hierarchy under the codification are described as follows:

Level 1 (L1): Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the City has the ability to access.

Level 2 (L2): Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 (L3): Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Investments (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The City's investments are carried at amortized cost as of September 30, 2022, are as follows:

	Amortized Cost	Weighted Average Maturity	Credit Rating
Stable NAV Fund	$ 6,723,133		
Variable NAV Fund	3,205,376		
Certificates of Deposit	750,000		
U.S. Treasury	5,746,193		
Florida Safe Investment Pool	16,424,702	340.99	AAAm
Demand Deposits	7,016,504		
Total Cash and Cash Equivilents	$23,441,206		

The investments held by the City are not classified as Level 1, 2 or 3 as all investments are carried at amortized cost.

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

Capital asset activity for the fiscal year ended September 30, 2022 as follows:

	Balance 9/30/21	Increases	Decreases	Balance 9/30/22
Governmental activities:				
Capital assets, not being depreciated				
Land	$ 8,589,387	$ -	$ -	$ 8,589,387
Construction in progress	2,376,707	3,944,900	(1,350,862)	4,970,745
Total capital assets, not being depreciated	10,966,094	3,944,900	(1,350,862)	13,560,132
Capital assets, being depreciated				
Buildings	3,857,076	-	-	3,857,076
Building improvements	71,622,048	1,823,611	-	73,445,659
Machinery and equipment	4,270,825	326,441	(213,329)	4,383,937
Total capital assets, being depreciated	79,749,949	2,150,052	(213,329)	81,686,672
Less accumulated depreciation for:				
Buildings	(952,779)	(170,661)	-	(1,123,440)
Building improvements	(19,449,045)	(1,709,234)	-	(21,158,279)
Machinery and equipment	(2,587,180)	(527,817)	197,484	(2,917,513)
Total accumulated depreciation	(22,989,004)	(2,407,712)	197,484	(25,199,232)
Total capital assets being depreciated, net	56,760,945	(257,660)	(15,845)	56,487,440
Governmental activities capital assets, net	$ 67,727,039	$ 3,687,240	$ (1,366,707)	$ 70,047,572

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (Continued)

	Balance 9/30/21	Increases	Decreases	Balance 9/30/22
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 13,885	$ -	$ -	$ 13,885
Construction in progress	2,124,911	1,110,075	(2,809,134)	425,852
Total capital assets, not being depreciated	2,138,796	1,110,075	(2,809,134)	439,737
Capital assets, being depreciated:				
Improvements other than buildings	19,340,074	3,564,685	-	22,904,759
Machinery and equipment	5,530,364	413,512	-	5,943,876
Total capital assets, being depreciated	24,870,438	3,978,197	-	28,848,635
Less accumulated depreciation for:				
Improvements other than buildings	(8,715,335)	(594,573)	-	(9,309,908)
Machinery and equipment	(3,974,057)	(428,145)	-	(4,402,202)
Total accumulated depreciation	(12,689,392)	(1,022,718)	-	(13,712,110)
Total capital assets being depreciated, net	12,181,046	2,955,479	-	15,136,525
Business-type activities capital assets, net	$ 14,319,842	$ 4,065,554	$ (2,809,134)	$ 15,576,262

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

Governmental activities:	
General government	$ 1,663,611
Public safety	38,604
Public works	612,441
Culture and recreation	93,056
Total depreciation expense - governmental activities	$ 2,407,712
Business-type activites:	
Water pollution control	$ 519,447
Solid waste	250,229
Stormwater management	253,042
Total depreciation expense - business-type activities	$ 1,022,718

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt

State Revolving Loan Fund

The City entered into two agreements with the Florida Department of Environmental Protection for major sewer rehabilitation and inflow/infiltration correction and lift station rehabilitation. The projects are funded through the Clean Water State Revolving Fund (SRF) Loan Program protected under the Federal Clean Water Act. The principal amount of the first loan totaled $1,056,884 at an interest rate of 2.62%. The principal amount of the second loan totaled $517,612 at an interest rate of .68%. Both loans will be paid off in 40 semi-annual payments of $34,250 beginning June 15, 2014 and $14,094 beginning October 15, 2017, respectively. Both agreements call for pledged revenue as security for repayment of the loans, defined as gross revenues derived from the operation of the sewer system after payment of the operation and maintenance expense.

Truist Loans

The City has a general obligation revenue bond outstanding, Series Note 2011A. The bond was issued in 2011 in order to construct capital improvements to the Isle of Palms and Isle of Capri bridges. The principal amount of the loan is $4,024,407. Providing for the payment of this loan are the City's Public Service Tax Revenues and Communication Services Tax Revenues. Repayment for the aforementioned Series Note 2011A will be repaid over 15 years and the interest rate is 2.98%.

The City has a Non-Ad Valorem Revenue Note, Series 2020. The note was issued in 2020 in order to purchase and renovate the new City Hall building. The principal amount of the loan is $8,000,000. Non-Ad Valorem revenues budgeted, appropriated and deposited are pledged for the repayment of this loan. Repayment for the aforementioned Series 2020 Note will be repaid over 15 years and the interest rate is 2.17%.

Lease Liability

A fire truck was acquired though a capital lease for governmental activities in the amount of $419,929 during fiscal year 2018. This lease was financed through U.S. Bancorp Government Leasing and Finance Inc. for annual payments over a period of four years. Payment of this loan was funded by local option sales tax revenues through the Local Option Sales Tax fund. As of September 30, 2022 the lease liability was paid off.

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt (Continued)

Long-term liability activity for the fiscal year ended September 30, 2022 as follows:

	Balance 9/30/2021	Additions	Reductions	Balance 9/30/2022	Due within One Year
Governmental Activities:					
Total OPEB liability	$ 359,112	$ -	$ (88,262)	$ 270,850	$ -
Truist - Series Note 2011A	1,850,501	-	(285,903)	1,564,598	294,551
Truist - Series Note 2020	7,619,100	-	(471,600)	7,147,500	481,800
Lease Liability	111,071	-	(111,071)	-	-
Net pension liability	2,093,667	4,256,710	-	6,350,377	-
Compensated absences	756,845	469,165	(425,735)	800,275	240,082
Governmental activities long-term liabilities	$ 12,790,296	$ 4,725,875	$ (1,382,571)	$ 16,133,600	$ 1,016,433
Business-type Activities:					
Total OPEB liability	$ 84,245	$ -	$ (20,703)	$ 63,542	$ -
State Revolving Loan - 53601P	726,149	-	(49,798)	676,351	51,111
State Revolving Loan - 520810	426,649	-	(25,330)	401,319	25,502
Compensated absences	113,216	45,751	(72,336)	86,631	27,081
Business-type activities long-term liabilities	$ 1,350,259	$ 45,751	$ (168,167)	$ 1,227,843	$ 103,694

Net pension and compensated absences are generally liquidated by the general fund for governmental activities. OPEB liabilities will be liquidated by the general fund for governmental activities and the wastewater fund, solid waste fund and stormwater management fund for business-type activities.

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt (Continued)

The following tables indicate future debt service requirements for Governmental Activities:

Truist - Series Note 2011A		Principal	Interest	Total
	2023	$ 294,551	$ 42,237	$ 336,788
	2024	303,462	33,326	336,788
	2025	312,642	24,146	336,788
	2026	322,100	14,688	336,788
	2027	331,843	4,944	336,787
		$ 1,564,598	$ 119,341	$ 1,683,939

Truist - Series Note 2020		Principal	Interest	Total
	2023	$ 481,800	$ 149,873	$ 631,673
	2024	492,300	139,304	631,604
	2025	502,900	128,506	631,406
	2026	513,900	117,474	631,374
	2027	525,000	106,202	631,202
	2028-2032	2,800,900	353,190	3,154,090
	2033-2035	1,830,700	60,158	1,890,858
		$ 7,147,500	$ 1,054,708	$ 8,202,208

NOTE 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-Term Debt (Continued)

The following tables represent debt service of business-type activities:

State Revolving Loan - 53601P	Principal	Interest	Total
2023	$ 51,111	$ 17,388	$ 68,499
2024	52,459	16,040	68,499
2025	53,843	14,656	68,499
2026	55,262	13,237	68,499
2027	56,720	11,779	68,499
2028-2032	306,841	35,654	342,495
2033-2034	100,115	2,634	102,749
	$ 676,351	$ 111,388	$ 787,739

State Revolving Loan - 520810	Principal	Interest	Total
2023	$ 25,502	$ 2,686	$ 28,188
2024	25,676	2,512	28,188
2025	25,851	2,337	28,188
2026	26,027	2,161	28,188
2027	26,204	1,984	28,188
2028-2032	133,722	7,217	140,939
2033-2037	138,337	2,600	140,937
	$ 401,319	$ 21,497	$ 422,816

NOTE 3: OTHER INFORMATION

Pledged Revenues

The City has revenue notes outstanding at September 30, 2022, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Future Principal and Interest	Current Pledged Revenue	Current Year Principal and Interest	Current Percentage of Revenue
Governmental Activities					
Revenue Notes					
Truist - Series Note 2011A					
Maturity: 2026					
Interest rate: 2.98%	$4,024,407	$ 1,683,939	$1,544,286	$ 336,788	21.8%
Purpose: Improvements to Isle of Palms and Isle of Capri bridges					
Pledged revenue: Public Service Tax revenues and Communication Services Tax revenues					
Truist - Series Note 2020					
Maturity: 2035					
Interest rate: 2.17%	$8,000,000	$ 8,202,208	$4,390,654	$ 631,818	14.4%
Purpose: Purchase and renovation of new City Hall building					
Pledged revenue: Non-Ad Valorem revenues					

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of property and other assets; errors and omissions by employees; and natural disasters, particularly during the hurricane season of June through November. The City has purchased various types of insurance to protect itself. There have been no changes in insurance coverage during the current fiscal year. There were no changes in insurance coverage from the previous year. The City does not participate in a risk pool and does not retain any of the risks of loss.

Contingent Liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the government expects such amounts, if any, to be immaterial.

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

NOTE 3: OTHER INFORMATION (Continued)

Fund Balance Classification

General Fund		
Nonspendable:		
Prepaid items	$	1,432
Restricted		
Green utility		13,950
Committed		
.50 Mill for Bridge Renewal & Replacement		698,890
Assigned:		
Beach improvements		500,000
City IT supplies and maintenance		43,161
City infrastructure improvements		1,555,450
Professional services		1,759,375
Supplies		454,647
Contractual service		299,001
Total assigned		4,611,634
Unassigned		6,249,561
Total General Fund fund balance	$	11,575,467
Local Option Sales Tax		
Restricted for Public Safety vehicle purchse	$	95,121
Restricted for IT Equipment & Software		88,280
Restricted for infrastructure improvements		1,379,052
Total restricted		1,562,453
Total Local Option Sales Tax fund balance	$	1,562,453
Building Fund		
Restricted:		
Restricted for Building Division		798,982
Restricted for Contractual Services		7,540
Total restricted		806,522
Total Building Fund fund balance	$	806,522
City Hall Remodel		
Committed for Contractual Services	$	23,442
Committed for Infrastructure		1,100,785
Total committed		1,124,227
Total City Hall fund balance	$	1,124,227
Nonmajor Governmental Funds		
Committed for Debt Service	$	1,590
Restricted:		
Capital Projects, County Gas Tax, Debt Service, Police Forfeiture, Transportation Trust, and Transportation Improvements	$	247,829
TOTAL	$	15,318,088

NOTE 3: OTHER INFORMATION (Continued)

Employee Retirement Systems and Pension Plans

The City participates in two pension programs: First, for qualified public safety employees, the City participates in the Florida Retirement System's defined benefit plans. For all other employees, the City has a defined contribution pension plan which consists of a 401(A) qualified plan. Employees contribute five (5) percent of their gross earnings and the City contributed eight (8) percent for the fiscal year ending September 30, 2022. The City makes these contributions to the Plan as a part of the regular weekly payroll process.

Defined Benefit Plans

The City participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

NOTE 3: OTHER INFORMATION (Continued)

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30 and the maximum payment is $150 per month, pursuant to Section 112.363, Florida Statutes.

Contributions

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2022, were as follows:

	FRS	HIS
Regular Class	10.25%	1.66%
Special Risk Class	26.17%	1.66%
County, city, special district elected officials	55.34%	1.66%
Senior management service class	29.91%	1.66%
DROP from FRS	16.94%	1.66%

The employer's contributions for the year ended September 30, 2022, were $665,392 to the FRS Pension Plan and $47,101 to the HIS Pension Plan.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2022, the City reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2022. The City's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

NOTE 3: OTHER INFORMATION (Continued)

Pension Liabilities and Pension Expense (Continued)

	FRS	HIS
Net pension liability	$ 5,549,610	$ 800,767
Proportion at:		
Current measurement date	0.01491508%	0.00756040%
Prior measurement date	0.01534682%	0.00761740%
Pension expense	$ 625,340	$ 43,748

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 263,574	$ -	$ 24,305	$ (3,523)
Changes of assumptions	683,458	-	45,900	(123,878)
Net difference between projected and actual earnings on pension plan investments	366,440	-	1,159	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	136,702	(772,805)	36,429	(24,510)
Employer contributions subsequent to the measurement date	184,631	-	12,560	-
Total	$ 1,634,805	$ (772,805)	$ 120,353	$ (151,911)

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2023.

Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year ending September 30,	FRS	HIS
2023	$ 151,567	$ (12,514)
2024	(32,795)	(3,041)
2025	(268,867)	2,814
2026	788,328	(5,152)
2027	39,136	(18,073)
Thereafter	-	(8,152)
Total	$ 677,369	$ (44,118)

NOTE 3: OTHER INFORMATION (Continued)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2022. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2022. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2021. The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.54%

Morality assumptions for both plans were based on the PUB-2010 base tables projected generationally with Scale MP-2018.

For both plans, the actuarial assumptions used in the valuation dated July 1, 2022 were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.
The following changes in key actuarial assumptions occurred in 2022:

FRS:

- The investment return assumption for purposes of developing actuarially calculated contribution rates decreased from 6.80% to 6.70%

HIS:

- The long-term expected rate of return and the discount rate used to determine the total pension liability increased from 2.16% to 3.54%

The long-term expected investment rate of return assumption for the FRS Pension Plan was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption of 2.40%.

For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

NOTE 3: OTHER INFORMATION (Continued)

Actuarial Assumptions (Continued)

Asset Class	Target Allocation	Annual Arithmatic Return	Compound Annual (Geometric) Return
Cash	1.0%	2.6%	2.6%
Fixed income	19.8%	4.4%	4.4%
Global equity	54.0%	8.8%	7.3%
Real estate	10.3%	7.4%	6.3%
Private equity	11.1%	12.0%	8.9%
Strategic investments	3.8%	6.2%	5.9%
Total	100%		

Discount Rate

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.80%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program is essentially funded on a pay-as-you-go basis and the depletion date is considered to be immediate, a municipal bond rate of 3.54% was used to determine the total pension liability for the program. The Bond Buyer General Obligation 20-Year Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

FRS			HIS		
1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%	1% Decrease 2.54%	Current Discount Rate 3.54%	1% Increase 4.54%
$ 9,597,669	$ 5,549,610	$ 2,164,951	$ 916,143	$ 800,767	$ 705,296

NOTE 3: OTHER INFORMATION (Continued)

Pension Plans' Fiduciary Net Position

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

401 (A) Pension Plan

The City offers a Section 401(A) Money Purchase Plan as a defined contribution retirement plan for all of its employees not eligible to participate in the Florida Retirement System.

The Plan provides for employees to contribute five percent of their earnings, with the City contributing eight percent. Employee contributions are made through payroll deduction and remitted to the Plan Administrator, the ICMA Retirement Trust, along with the City's contribution, for deposit and investment. The authority responsible for establishing or amending plan provisions and contribution requirements is the City Commission.

Employees choose from several investment options, ranging from aggressive to conservative, to invest both their contribution and the City's. At September 30, 2022, those options included five (5) classifications as follows:

Stable / Money Market Funds
Bond Funds
U. S. Stock Funds
International Stock Funds
Balanced Funds

For the current fiscal year, employee contributions totaled $167,296 and the City's contributions totaled $267,673 for a grand total of $434,969.

Employees are fully vested with the City's contribution after five years. If the employee terminates with the City with less than five years of service, the City's contribution reverts back to the City. All contributions to the 401(A) Plan are tax deferred for the purposes of federal income tax. All employees are still eligible to participate in the City's Section 457 Deferred Compensation Plan.

The City's total payroll in fiscal year ended September 30, 2022 was $6,672,544. The City's contributions were calculated using the participant's salary amount of $3,345,910. The City made its required contribution of $267,673.

NOTE 3: OTHER INFORMATION (Continued)

Postemployment Health Care Benefits

General Information about the OPEB Plan

Plan description. The City's defined benefit OPEB plan provides OPEB for all permanent full-time employees of the City. The Plan is a single-employer defined benefit OPEB plan administered by the City. The Plan is not administered through a trust and no assets are accumulated to meet the criteria of a trust in the accounting standards.

Benefits provided. The Plan provides retired employees to elect to continue medical coverage into retirement on the City's health care plan by paying the entire premium. Coverage is also available for eligible dependents on a pay-all basis.

Employees covered by benefit terms. At September 30, 2022, the following employees were covered by the benefit terms:

Active employees	98
Inactive employees currently receiving benefits	3
Inactive employees entited to but not yet receiving benefits	-
Total	101

Total OPEB Liability

The City's total OPEB liability of $334,392 was measured as of September 30, 2022, and was determined by an actuarial valuation as of October 1, 2021.

Actuarial assumptions and other inputs. The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	3.00%
Discount rate	4.77%
Salary rate increase	4.00%
Health Care Trend rates	5.5% initial rate decreasing to ultimate rate of 4.5%
Mortality table	PubG.H-2010 mortality table - general

The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index.

The actuarial assumptions used in the September 30, 2022 valuation was based on actuarial experience.

NOTE 3: OTHER INFORMATION (Continued)

Postemployment Health Care Benefits (Continued)

Changes in the Total OPEB Liability

	Total OEPB Liability
Balance at September 30, 2021	$ 443,357
Changes for the year:	
Service cost	29,407
Interest on total OEPB liability	10,346
Difference between expected and actual experience	(57,845)
Changes of assumptions and other inputs	(55,686)
Benefit payments	(35,187)
Net changes	(108,965)
Balance at September 30, 2022	$ 334,392

Changes of assumptions and other inputs reflect a change in the discount rate from 2.43 percent in 2021 to 4.77 percent in 2022.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.77 percent) or 1-percentage-point higher (5.77 percent) than the current discount rate:

	1% Decrease 3.77%	Discount Rate 4.77%	1% Increase 5.77%
Total OPEB liability	$ 355,531	$ 334,392	$ 315,091

NOTE 3: OTHER INFORMATION (Continued)

Postemployment Health Care Benefits (Continued)

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (4.0 percent decreasing to 3.5 percent) or 1-percentage-point higher (6.0 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	1% Decrease (4.0% decreasing to 3.5%)	Health Care Cost Trend Rate (5.0% decreasing to 4.5%)	1% Increase (6.0% decreasing to 5.5%)
Total OPEB liability	$ 309,663	$ 334,392	$ 362,981

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

For the year ended September 30, 2022, the City recognized OPEB expense of $49,147. At September 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 47,302	$ (64,161)
Changes of assumptions or other inputs	71,976	(61,912)
Total	$ 119,278	$ (126,073)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2023	$ 9,394
2024	9,394
2025	9,394
2026	(549)
2027	(4,980)
Thereafter	(29,448)
Total	$ (6,795)

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Treasure Island, Florida
Required Supplementary Information
Schedule of Changes in the City's Total OPEB Liability and Related Ratios

September 30,	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	$ 29,407	$ 23,739	$ 38,194	$ 19,064	$ 20,630
Interest on total OEPB liability	10,346	9,323	26,089	11,862	6,260
Difference between expected and actual experience	(57,845)	-	(19,195)	-	133,177
Changes of assumptions and other inputs	(55,686)	(8,870)	81,593	(4,823)	(2,199)
Benefit payments	(35,187)	(32,997)	(64,439)	(21,751)	(23,291)
Other changes	-	-	18,003	2,588	2,141
Net change in total OPEB liability	(108,965)	(8,805)	80,245	6,940	136,718
Total OPEB liability - beginning	443,357	452,162	371,917	364,977	228,259
Total OPEB liability - ending	$ 334,392	$ 443,357	$ 452,162	$ 371,917	$ 364,977
Covered-employee payroll	$ 5,547,025	$ 4,711,071	$ 5,294,420	$ 4,882,312	$ 4,492,334
Total OPEB liability as a percentage of covered-employee payroll	6.03%	9.41%	8.54%	7.62%	8.12%

Notes to Schedule:

Note 1: GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

Note 2: The Plan's long-term expected rate of return and the discount used to determine the the total OPEB liability increased from 2.43% to 4.77%.

Note 3: The Plan's inflation rate used to determine the the total OPEB liability increased from 2.50% to 3.00%.

Note 4: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.1010 or P52.101 to payrelated benefits for the OPEB plan.

City of Treasure Island, Florida
Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System (Last 10 fiscal years)

	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of net pension liabilty (asset)	0.014915084%	0.015346822%	0.018563162%	0.017811185%	0.017248153%	0.017691499%	0.018311777%	0.015912654%
City's proportionate share of the net pension liability (asset)	$ 5,549,610	$ 1,159,278	$ 8,045,548	$ 6,133,924	$ 5,195,233	$ 5,233,027	$ 4,623,738	$ 2,055,333
City's covered payroll	$ 2,755,238	$ 2,756,865	$ 2,634,787	$ 2,497,865	$ 2,349,746	$ 2,313,204	$ 2,245,865	$ 2,257,738
City's proporationate share of the net pension liability (asset) as a percentage of its covered payroll	201.42%	42.05%	305.36%	245.57%	221.10%	226.22%	205.88%	91.04%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

* The amounts presented for each Plan measurement year were determined as of 6/30.

Note 1: GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liabilty is published in Note 3 of the Plan's Annual Comprehensive Financial Report.

Note 3: During the plan year ended June 30, 2022, the investment return assumption for purposes of developing actuarially calculated contribution rates decreased from 6.80% to 6.70%

City of Treasure Island, Florida
Schedule of Proportionate Share of Net Pension Liability – Health Insurance Subsidy (Last 10 fiscal years)

	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of net pension liabiilty (asset)	0.007560399%	0.007617403%	0.007757302%	0.007449531%	0.007085356%	0.007173178%	0.007516286%	0.007338387%
City's proportionate share of the net pension liability (asset)	$ 800,767	$ 934,389	$ 947,154	$ 833,528	$ 800,767	$ 766,989	$ 875,992	$ 748,400
City's covered payroll	$ 2,755,238	$ 2,756,865	$ 2,634,787	$ 2,497,865	$ 2,349,746	$ 2,313,204	$ 2,245,865	$ 2,257,738
City's proporationate share of the net pension liability (asset) as a percentage of its covered payroll	29.06%	33.89%	35.95%	33.37%	34.08%	33.16%	39.00%	33.15%
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

* The amounts presented for each Plan measurement year were determined as of 6/30.

Note 1: GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

Note 2: The Plan's fiduciary net position as a percentage of the total pension liabilty is published in Note 3 of the Plan's Comprehensive Annual Financial Report.

City of Treasure Island, Florida
Schedule of Contributions –
Florida Retirement System (Last 10 fiscal years)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 665,392	$ 604,234	$ 604,170	$ 559,529	$ 506,157	$ 464,877	$ 460,749	$ 387,964
Contributions in relation to the contractually required contribution	665,392	604,234	604,170	559,529	506,157	464,877	460,749	387,964
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 2,837,485	$ 2,756,865	$ 2,634,787	$ 2,497,865	$ 2,349,746	$ 2,313,204	$ 2,245,865	$ 2,257,738
Contributions as a percentage of covered payroll		21.92%	22.93%	22.40%	21.54%	20.10%	20.52%	17.18%

* The amounts presented for each Plan measurement year were determined as of 6/30.

Note 1: GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

City of Treasure Island, Florida
Schedule of Contributions –
Health Insurance Subsidy (Last 10 fiscal years)

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	$ 47,101	$ 45,530	$ 44,426	$ 41,473	$ 39,015	$ 38,045	$ 37,281	$ 28,052
Contributions in relation to the contractually required contribution	47,101	45,530	44,426	41,473	39,015	38,045	37,281	28,052
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's covered payroll	$ 2,837,485	$ 2,756,865	$ 2,634,787	$ 2,497,865	$ 2,349,746	$ 2,313,204	$ 2,245,865	# $ 2,257,738
Contributions as a percentage of covered payroll	1.66%	1.65%	1.69%	1.66%	1.66%	1.64%	1.66%	1.24%

* The amounts presented for each Plan measurement year were determined as of 6/30.

Note 1: GASB required information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for only those years for information is available.

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COMBINING FINANCIAL STATEMENTS

The combining financial statements provide a more detailed view of the non-major funds that were combined in the basic financial statements.

A description of these non-major funds follows on the next page.

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specific purposes other than debt service or capital projects.

The ***Capital Projects Fund*** is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition of capital assets.

The ***County Gas Tax Fund*** is financed through a six cent per gallon county gas tax. Expenditure is limited to road projects contained in the M.P.O. five-year transportation plan.

The ***Transportation Trust Fund*** accounts for revenues received from the Transportation Impact Fee established by Pinellas County and are restricted to expenditure for capital improvements and expansion of transportation facilities.

The ***Debt Service Fund*** is used to account for and report financial resources that are restricted, committed or assigned to expenditure for debt principal and debt payments.

City of Treasure Island, Florida
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2022

	Capital Projects	County Gas Tax	Transportation Trust	Debt Service	Total
ASSETS					
Cash and cash equivalents	$ (11,093)	$ 185,139	$ 12,817	$ 1,590	$ 188,453
Receivables:					
Due from other governments	38,628	22,338	-	-	60,966
Total assets	$ 27,535	$ 207,477	$ 12,817	$ 1,590	$ 249,419
LIABILITIES AND FUND BALANCES					
Liabilities:					
Total liabilities	-	-	-	-	-
FUND BALANCES:					
Restricted	27,535	207,477	12,817	-	247,829
Committed	-	-	-	1,590	1,590
Total fund balances	27,535	207,477	12,817	1,590	249,419
Total liabilities and fund balances	$ 27,535	$ 207,477	$ 12,817	$ 1,590	$ 249,419

City of Treasure Island, Florida
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
Year ended September 30, 2022

	Capital Projects	County Gas Tax	Transportation Trust	Debt Service	Total
REVENUES					
Intergovernmental	$ 38,628	$ 90,973	$ -	$ -	$ 129,601
Investment Earnings	19	662	40	286	1,007
Total Revenues	38,647	91,635	40	286	130,608
EXPENDITURES					
Current:					
Public Works	-	114,508	-	-	114,508
Debt Service:					
Principal Retirement	-	-	-	757,503	757,503
Interest	-	-	-	211,103	211,103
Capital Outlay	32,505	-	-	-	32,505
Total Expenditures	32,505	114,508	-	968,606	1,115,619
Excess (deficiency) of revenues over expenditures	6,142	(22,873)	40	(968,320)	(985,011)
Other Financing Sources (Uses)					
Transfers In	-	-	-	968,610	968,610
Total other financing sources (uses)	-	-	-	968,610	968,610
Net change in fund balances	6,142	(22,873)	40	290	(16,401)
Fund Balances - Beginning	21,393	230,350	12,777	1,300	265,820
Fund Balances - Ending	$ 27,535	$ 207,477	$ 12,817	$ 1,590	$ 249,419

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SCHEDULES OF REVENUES,

EXPENDITURES AND CHANGES IN

FUND BALANCES – BUDGET AND ACTUAL

City of Treasure Island, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Capital Projects Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 1,205,500	$ 1,205,500	$ 38,628	$ (1,166,872)
Interest	-	-	19	19
Total Revenues	1,205,500	1,205,500	38,647	(1,166,853)
EXPENDITURES				
Capital Outlay	1,205,500	1,661,155	32,505	1,628,650
Total Expenditures	1,205,500	1,661,155	32,505	1,628,650
Net change in fund balances	-	(455,655)	6,142	461,797
Fund Balance - Beginning	21,393	21,393	21,393	-
Fund Balance - Ending	$ 21,393	$ (434,262)	$ 27,535	$ 461,797

City of Treasure Island, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
County Gas Tax Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
County Gas Tax	$ 100,000	$ 100,000	$ 90,973	$ (9,027)
Miscellaneous:				
Investment Earnings	4,000	4,000	662	(3,338)
Total Revenues	104,000	104,000	91,635	(12,365)
EXPENDITURES				
Current:				
Public Works	175,000	329,347	114,508	214,839
Total Expenditures	175,000	329,347	114,508	214,839
Net change in fund balances	(71,000)	(225,347)	(22,873)	202,474
Fund Balance - Beginning	230,350	230,350	230,350	-
Fund Balance - Ending	$ 159,350	$ 5,003	$ 207,477	$ 202,474

City of Treasure Island, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Transportation Trust Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Investment Earnings	$ -	$ -	$ 40	$ 40
Total Revenues	-	-	40	40
EXPENDITURES				
Capital Outlay	-	25,124	-	25,124
Total Expenditures	-	25,124	-	25,124
Net change in fund balances	-	(25,124)	40	25,164
Fund Balance - Beginning	12,777	12,777	12,777	-
Fund Balance - Ending	$ 12,777	$ (12,347)	$ 12,817	$ 25,164

City of Treasure Island, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
Debt Service Fund
Year ended September 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous:				
Investment Earnings	$ -	$ -	$ 286	$ 286
Total Revenues	-	-	286	286
EXPENDITURES				
Debt Service:				
Principal Retirement	757,505	757,505	757,503	2
Interest	211,105	211,105	211,103	2
Total Expenditures	968,610	968,610	968,606	4
Excess (deficiency) of revenues over (under) expenditures	(968,610)	(968,610)	(968,320)	290
Other Financing Sources (Uses)				
Transfers In	968,610	968,610	968,610	-
Total other financing sources (uses)	968,610	968,610	968,610	-
Net change in fund balances	-	-	290	(290)
Fund Balance - Beginning	1,300	1,300	1,300	-
Fund Balance - Ending	$ 1,300	$ 1,300	$ 1,590	$ (290)

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III. STATISTICAL SECTION

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STATISTICAL SECTION

This part of the City of Treasure Island's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents **Page**

Financial Trends ..... 116 – 121

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity ..... 124 – 127

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity ..... 130 – 133

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information ..... 136 – 137

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

Operating Information ..... 140 – 142

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

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FINANCIAL TRENDS

City of Treasure Island, Florida
Net Position by Component - Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental activities:										
Net investment in capital assets	$61,123,238	$58,146,368	$57,132,749	$58,239,009	$58,441,065	$55,708,180	$55,418,462	$55,452,891	$55,775,791	$55,035,870
Committed	1,153,352	-	-	-	-	-	-	-	-	-
Restricted	2,630,754	4,876,220	3,811,449	3,465,854	3,168,963	3,606,871	3,340,941	3,455,213	1,905,886	2,194,764
Unrestricted	5,149,656	2,387,843	1,254,619	342,862	236,155	302,115	(262,014)	(531,730)	2,475,352	2,820,014
Total governmental activites net assets	70,057,000	65,410,431	62,198,817	62,047,725	61,846,183	59,617,166	58,497,389	58,376,374	60,157,029	60,050,648
Business-type activities:										
Net investment in capital assets	14,457,397	13,167,046	11,422,096	10,241,415	9,762,309	8,175,686	7,867,811	5,533,880	5,537,038	4,930,183
Unrestricted	6,155,174	5,706,566	6,161,550	6,252,115	5,881,885	5,576,682	4,088,107	4,970,944	3,816,248	3,170,981
Total business-type activities net assets	20,612,571	18,873,612	17,583,646	16,493,530	15,644,194	13,752,368	11,955,918	10,504,824	9,353,286	8,101,164
Primary government:										
Net investment in capital assets	75,580,635	71,313,414	68,554,845	68,480,424	68,203,374	63,883,866	63,286,273	60,986,771	61,312,829	59,966,053
Committed	1,153,352	-	-	-	-	-	-	-	-	-
Restricted	2,630,754	4,876,220	3,811,449	3,465,854	3,168,963	3,606,871	3,340,941	3,455,213	1,905,886	2,194,764
Unrestricted	11,304,830	8,094,409	7,416,169	6,594,977	6,118,040	5,878,797	3,826,093	4,439,214	6,291,600	5,990,995
Total primary government net position	$ 90,669,571	$ 84,284,043	$ 79,782,463	$ 78,541,255	$ 77,490,377	$ 73,369,534	$ 70,453,307	$ 68,881,198	$ 69,510,315	$ 68,151,812

City of Treasure Island, Florida
Changes in Net Position -
Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
EXPENSES										
Governmental activities:										
General government	$4,431,208	$4,337,630	$4,195,663	$4,105,708	$3,545,736	$3,445,797	$3,023,297	$3,100,750	$3,059,328	$2,616,740
Public Safety	6,191,198	5,643,952	7,143,218	6,551,349	5,200,712	4,764,149	4,813,545	4,107,508	4,294,575	4,438,408
Public Works	2,857,125	2,435,151	2,837,633	2,437,780	2,483,434	2,393,235	2,738,271	2,217,027	2,173,996	2,021,674
Culture and recreation	2,039,314	1,823,170	1,761,200	1,890,558	1,765,960	1,470,607	1,325,097	1,285,986	1,258,982	1,203,034
Interest on Long-term Debt	215,427	237,234	135,859	94,859	109,630	126,775	143,452	146,784	142,560	201,965
Total governmental activities expenses	15,734,272	14,477,137	16,073,573	15,080,254	13,105,471	12,200,563	12,043,662	10,858,055	10,929,441	10,481,821
Business-type activities:										
Wastewater	4,998,257	4,572,026	4,206,669	3,929,700	3,295,676	3,346,250	3,404,087	3,291,043	3,470,698	3,414,281
Solid Waste	2,347,496	2,265,516	2,237,153	2,311,942	2,047,546	1,750,506	1,815,631	1,713,922	1,752,275	1,523,329
Stormwater Management	778,742	694,961	668,754	653,787	536,963	504,116	468,424	475,098	414,394	368,207
Total business-type activities expenses	8,124,495	7,532,503	7,112,576	6,895,429	5,880,185	5,600,873	5,688,142	5,480,063	5,637,367	5,305,817
Total primary government expenses	$ 23,858,767	$ 22,009,639	$ 23,186,149	$ 21,975,683	$ 18,985,658	$ 17,801,435	$ 17,731,804	$ 16,338,118	$ 16,566,808	$ 15,787,638
PROGRAM REVENUES										
Governmental activities:										
Charges for services:										
General government	$1,233,176	$ 1,154,402	$ 1,200,760	$ 1,324,774	$ 1,207,380	$ 1,138,648	$ 1,147,967	$ 1,094,673	$ 1,080,323	$ 929,436
Public Safety	2,070,442	2,146,846	1,566,068	1,725,603	1,688,959	1,482,003	1,249,625	1,484,615	992,829	887,987
Public Works	1,601,966	1,499,644	1,224,821	952,320	718,683	680,712	510,674	440,751	373,516	308,578
Culture and recreation	743,345	575,755	497,822	590,617	565,289	496,084	469,916	521,691	511,979	493,634
Operating Grants and Contributions	1,880,311	533,537	101,797	31,261	2,680	5,989	5,702	5,002	4,942	42,482
Capital Grants and Contributions	38,628	-	411,526	343,899	827,371	683,521	377,723	1,125,996	-	228,852
Total Governmental Activities Program Revenues	$7,567,868	5,910,184	5,002,794	4,968,474	5,010,363	4,486,957	3,761,607	4,672,728	2,963,589	2,890,969
Business-type activities:										
Capital Grants and Contributions	356,851	39,567	57,599	47,008	315,015	389,723	344,508	417,734	533,375	144,765
Charges for services:										
Wastewater	5,573,882	5,032,794	4,645,754	4,384,406	4,160,144	4,149,533	4,081,892	3,983,203	3,915,615	3,620,957
Solid Waste	2,386,438	2,270,091	2,150,560	2,115,123	2,123,493	1,848,792	1,807,889	1,799,927	1,764,988	1,754,570
Stormwater Management	1,483,183	1,354,834	1,235,790	1,119,167	1,001,067	925,342	824,566	830,715	643,715	592,602
Total business-type activities Program Revenues	9,800,354	8,697,286	8,089,703	7,665,704	7,599,719	7,313,390	7,058,855	7,031,579	6,857,693	6,112,894
Total Primary Government Program Revenues	$17,368,222	$ 14,607,470	$ 13,092,497	$ 12,634,178	$ 12,610,083	$ 11,800,347	$ 10,820,462	$ 11,704,307	$ 9,821,282	$ 9,003,863
NET (EXPENSE) REVENUE										
Governmental Activities	(8,166,404)	(8,566,953)	(11,070,779)	(10,111,780)	(8,095,111)	(7,713,606)	(8,282,055)	(6,185,327)	(7,965,852)	(7,590,852)
Business-type Activities	1,675,859	1,164,783	977,127	770,275	1,719,534	1,712,517	1,370,713	1,551,516	1,220,326	807,077
Total Primary Government Net Expense	$ (6,490,545)	$ (7,402,169)	$ (10,093,652)	$ (9,341,505)	$ (6,375,577)	$ (6,001,089)	$ (6,911,342)	$ (4,633,811)	$ (6,745,526)	$ (6,783,775)

City of Treasure Island, Florida
Governmental Activities Tax Revenues by Source - (Accrual Basis of Accounting)

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS										
Governmental activities:										
Ad Valorem Taxes	$ 8,224,289	$ 7,387,916	$ 6,961,096	$ 6,148,249	$ 5,584,737	$ 5,144,646	$ 4,793,125	$ 4,485,887	$ 4,213,370	$ 3,785,535
Franchise Fees	807,617	756,809	745,027	767,835	713,777	1,041,247	682,507	724,311	710,361	665,446
Utility Taxes	1,267,207	1,222,934	1,180,502	1,149,525	1,067,000	678,268	1,035,446	1,007,967	1,018,239	960,772
Unrestricted Intergovernmental Revenues:										
Communications Services Tax	277,079	273,118	295,970	305,664	336,868	338,122	342,861	349,246	352,080	366,088
Half-cent Sales Tax	558,945	498,648	426,052	451,105	441,284	428,621	426,212	411,008	387,375	369,364
Infrastructure Sales Surtax	1,004,193	865,583	757,881	838,139	796,662	751,856	731,449	695,465	646,122	605,417
State Shared Revenues	253,326	205,503	188,131	197,161	192,859	189,156	186,700	201,809	183,605	182,375
Other	191,793	144,584	106,368	121,105	122,772	125,463	126,617	141,228	117,889	106,492
Miscellaneous Revenues	178,687	267,030	406,182	136,529	1,037,484	81,018	56,333	82,414	56,376	78,280
Unrestricted investment earnings	49,835	156,444	154,662	198,010	102,195	54,986	21,820	21,920	21,835	13,105
Total governmental activities	12,812,971	11,778,569	11,221,871	10,313,322	10,395,637	8,833,383	8,403,070	8,121,255	7,707,252	7,132,874
Business-type activities:										
Unrestricted Investment Earnings	21,006	54,786	79,296	95,552	57,230	30,001	10,463	14,784	7,281	2,844
Miscellaneous	42,096	70,395	33,695	(16,491)	131,838	53,931	69,918	8,241	24,515	12,800
Total business-type activities	63,102	125,181	112,989	79,061	189,068	83,932	80,381	23,025	31,796	15,644
Total primary government revenues	12,876,073	11,903,750	11,334,860	10,392,383	10,584,705	8,917,315	8,483,451	8,144,280	7,739,048	7,148,518
CHANGE IN NET POSITION										
Governmental activities:	4,646,567	3,211,617	151,092	201,542	2,300,526	1,119,777	121,015	1,935,927	(258,600)	(457,978)
Business-type activities:	1,738,961	1,289,966	1,090,116	849,336	1,908,602	1,796,450	1,451,094	1,574,542	1,252,122	822,721
Total primary government	$ 6,385,528	$ 4,501,583	$ 1,241,208	$ 1,050,878	$ 4,209,128	$ 2,916,227	$ 1,572,109	$ 3,510,469	$ 993,522	$ 364,743

City of Treasure Island, Florida
Fund Balances of Government Funds – Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General Fund:										
Nonspendable	$ 1,432	$ 8,890	$ 47,893	$ 5,352	$ 32,279	$ 17,414	$ 10,623	$ 9,851	$ 85,298	$ 150,447
Restricted	13,950	13,950	13,950	-	1,477,702	1,116,276	800,068	638,291	136,378	-
Committed	698,890	1,264,168	819,885	592,289	-	-	-	-	-	-
Assigned	4,611,634	3,794,875	3,257,151	2,728,993	1,990,218	2,086,390	1,650,430	1,185,302	1,124,155	1,467,556
Unassigned	6,249,561	3,891,195	4,476,911	3,168,378	3,436,675	3,073,851	2,668,605	2,595,893	2,045,722	1,940,223
Total General Fund	11,575,467	8,973,078	8,615,790	6,495,012	6,936,874	6,293,931	5,129,726	4,429,337	3,391,553	3,558,226
All Other Governmental Funds:										
Nonspendable	-	-	2,316	-	-	-	-	-	-	-
Restricted	2,616,804	1,921,693	3,809,133	3,465,854	1,691,261	2,490,595	2,540,873	2,816,921	1,769,508	2,194,764
Committed	1,125,817	2,954,528	-	-	-	-	-	-	-	-
Total all other Governmental Funds	$ 3,742,621	$ 4,876,221	$ 3,811,449	$ 3,465,854	$ 1,691,261	$ 2,490,595	$ 2,540,873	$ 2,816,921	$ 1,769,508	$ 2,194,764

City of Treasure Island, Florida
Changes in Fund Balances of Government Funds – Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
REVENUES:										
Ad Valorem Taxes	$ 8,224,289	$ 7,387,916	$ 6,961,096	$ 6,148,249	$ 5,584,737	$ 5,144,646	$ 4,793,125	$ 4,485,887	$ 4,213,370	$ 3,785,535
Franchise Fees	807,617	756,809	745,027	767,834	713,776	678,268	682,507	724,311	710,361	665,446
Utility Services Taxes	1,267,207	1,222,934	1,180,502	1,149,525	1,067,000	1,041,247	1,035,446	1,007,967	1,018,239	960,772
Business Taxes & Permits	929,290	935,990	730,246	1,121,391	1,139,679	991,670	801,697	1,056,216	579,822	394,422
Intergovernmental	4,120,813	2,465,726	2,250,407	2,288,334	2,720,495	2,522,727	2,197,263	2,929,754	1,692,013	1,722,078
Charges for Service	4,534,962	4,282,503	3,559,760	3,293,309	2,932,465	2,671,553	2,475,227	2,402,469	2,279,237	2,077,507
Fines & Forfeitures	261,755	187,585	199,465	178,930	108,533	134,485	101,257	83,268	99,588	140,968
Miscellaneous Revenue	199,055	440,239	588,260	278,553	1,125,561	108,436	66,746	98,531	74,972	294,226
Total Revenues	20,344,988	17,679,702	16,214,763	15,226,125	15,392,246	13,293,032	12,153,267	12,788,403	10,667,602	10,040,954
EXPENDITURES:										
General Government	2,755,941	2,551,454	2,487,241	2,805,424	2,344,389	2,258,524	1,841,626	1,872,027	1,709,359	1,474,024
Public Safety	6,165,572	6,326,446	5,906,773	5,507,857	4,833,878	4,441,029	4,537,913	4,273,937	4,248,038	4,387,786
Public Works	2,092,154	1,953,870	1,982,403	2,116,718	2,204,174	2,130,287	1,930,170	1,924,440	2,007,034	1,899,133
Culture & Recreation	1,926,610	1,729,719	1,706,915	1,717,155	1,614,130	1,331,022	1,200,822	1,156,800	1,148,905	1,106,800
Debt Service:										
Principal retirement	868,574	765,317	372,263	830,497	1,538,945	845,394	824,716	379,226	369,166	309,799
Interest	215,427	237,234	135,859	94,859	109,630	126,775	143,452	146,784	142,560	201,965
Capital Outlay	4,887,770	2,702,651	9,166,835	879,239	3,337,172	1,073,382	1,269,907	2,765,573	2,002,690	5,489,993
Total Expenditures	18,912,048	16,266,691	21,758,289	13,951,750	15,982,318	12,206,413	11,748,606	12,518,787	11,627,752	14,869,500
Excess of Revenues over (under) Expenditures	1,432,940	1,413,011	(5,543,526)	1,274,375	(590,072)	1,086,617	404,662	269,616	(960,150)	(4,828,546)
OTHER FINANCING SOURCES (USES)										
Debt proceeds (payments)	-	-	8,000,000	-	419,929	-	-	1,810,000	-	-
Transfers in	1,461,469	3,377,762	1,634,793	1,479,759	-	246,071	3,429	4,690	1,037,596	255,740
Transfers out	(1,461,469)	(3,372,762)	(1,634,793)	(1,479,759)	-	(246,071)	(3,429)	(4,690)	(1,037,596)	(255,740)
Sale of capital assets	35,851	4,050	9,900	58,355	13,753	27,310	19,680	5,580	3,240	28,160
Total other financing sources (uses)	35,851	9,050	8,009,900	58,355	433,682	27,310	19,680	1,815,580	3,240	28,160
Net change in fund balances	$ 1,468,791	$ 1,422,061	$ 2,466,374	$ 1,332,730	$ (156,390)	$ 1,113,927	$ 424,342	$ 2,085,196	$ (956,910)	$ (4,800,386)
Debt Service as a percentage of non-capital expenditures, excluding transfers, special items and prior period adjustments.	8%	7%	4%	7%	13%	9%	9%	5%	5%	5%

City of Treasure Island, Florida
General Government Tax Revenues by Source – Last Ten Fiscal Years

	TOTAL TAXES[1]	AD VALOREM TAXES	FRANCHISE TAXES	UTILITY SERVICE TAXES
2013	5,411,753	3,785,535	665,446	960,772
2014	5,941,970	4,213,370	710,361	1,018,239
2015	6,218,165	4,485,887	724,311	1,007,967
2016	6,511,077	4,793,125	682,507	1,035,445
2017	6,864,160	5,144,645	678,268	1,041,247
2018	7,365,513	5,584,737	713,777	1,067,000
2019	8,065,610	6,148,249	767,835	1,149,525
2020	8,886,625	6,961,096	745,027	1,180,502
2021	9,367,659	7,387,916	756,809	1,222,934
2022	10,299,113	8,224,289	807,617	1,267,207

(1) Includes the General Fund and all Special Revenue Funds.

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REVENUE CAPACITY

City of Treasure Island, Florida
Assessed and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years

Fiscal Year[1]	Real Property Residential Property	Real Property Commercial Property	Personal Property	Less: Tax Exempt Property	Total Taxable Value	Total Assessed Value	Property Tax Rate[2]	Estimated Actual Taxable Value
2013	1,283,389	266,735	19,438	324,585	1,244,977	1,421,723	3.1368	1,672,615
2014	1,317,130	269,451	19,404	305,286	1,300,699	1,473,707	3.3368	1,733,773
2015	1,348,755	422,851	19,697	401,693	1,389,610	1,563,429	3.3368	1,839,328
2016	1,456,888	455,156	20,029	444,972	1,487,100	1,664,198	3.3368	1,957,880
2017	1,581,763	510,824	18,304	515,868	1,595,023	1,777,020	3.3368	2,090,612
2018	1,689,375	565,728	20,101	541,656	1,733,489	1,922,362	3.3368	2,261,602
2019	1,770,220	614,719	21,432	554,421	1,851,913	2,042,583	3.4368	2,403,039
2020	1,873,787	676,781	21,707	578,616	1,993,608	2,190,522	3.6129	2,577,085
2021	1,943,429	708,449	21,580	561,481	2,111,978	2,309,590	3.6129	2,717,165
2022	2,235,325	507,520	23,366	211,820	2,554,391	2,766,211	3.8129	3,254,366

(1) City's fiscal year taxes are based on County's prior calendar year assessments.

(2) Property Tax Rate (millage) is per $1,000 of taxable value

SOURCE: Tax Roll Certification Recapitulation
Pinellas County Property Appraiser's Office

City of Treasure Island, Florida
Property Tax Rates and Tax Levies –
Direct and Overlapping Governments –
Last Ten Fiscal Years

	CITY OF TREASURE ISLAND			OVERLAPPING RATES					
				COUNTY					TOTAL
FISCAL YEAR	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL CITY MILLAGE	OPERATING MILLAGE	DEBT SERVICE MILLAGE	TOTAL COUNTY MILLAGE	TOTAL SCHOOL MILLAGE	SPECIAL DISTRICTS	DIRECT & OVERLAPPING RATES
2013	3.1368	-	3.1368	5.0727	-	5.0727	8.3020	2.2192	18.7307
2014	3.3368	-	3.3368	5.3377	-	5.3377	8.0600	2.2117	18.9462
2015	3.3368	-	3.3368	5.3377	-	5.3377	7.8410	2.1957	18.7112
2016	3.3368	-	3.3368	5.3537	-	5.3537	7.7700	2.1627	18.6232
2017	3.3368	-	3.3368	5.3527	-	5.3527	7.3180	2.1456	18.1531
2018	3.3368	-	3.3368	5.3740	-	5.3740	7.0090	2.1270	17.8468
2019	3.4368	-	3.4368	5.3740	-	5.3740	6.7270	2.1094	17.6472
2020	3.6129	-	3.6129	5.3740	-	5.3740	6.5840	2.0940	17.6649
2021	3.6129	-	3.6129	5.3740	-	5.3740	6.4270	2.0808	17.4947
2022	3.8129	-	3.8129	4.8188	-	4.8188	5.9630	1.9753	16.5700

SOURCE: Pinellas County Tax Collector

City of Treasure Island, Florida
Principal Property Taxpayers – Current Year and Ten Years Ago

TAXPAYER	Fiscal Year 2022 2021 TAXABLE VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUE	Fiscal Year 2013 2012 TAXABLE VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE VALUE
Treas Island LLC	$ 22,750,000	1	1.02%	$ 5,282,556	6	0.42%
Treasure Res LLC	21,597,662	2	0.97%	14,928,061	1	1.20%
Which Treasure Island Owner LLC	20,450,938	3	0.92%			
Thunderbird TI Holdings LLC	11,850,000	4	0.53%			
Dolphin Reef LLC	9,664,367	5	0.43%			
Properties of TI LLC	8,488,500	6	0.38%			
Publix Super Markets INC	8,265,000	7	0.37%	7,405,827	3	0.59%
SFMB Treasure Island Property LLC	7,621,484	8	0.34%			
Treasure Island Palms LLC	7,590,000	9	0.34%	3,850,000	8	0.31%
Sunset Bay Properties LLC	7,100,000	10	0.32%	5,335,000	4	0.43%
TI Resort LLC	-		-	10,568,843	2	0.85%
King, Henry G Tre	-		-	5,335,000	5	0.43%
Gulf Golf Development, LLC	-		-	4,249,763	7	0.34%
Sand Pebble Resport of Treasure				3,792,440	9	0.30%
Treasure Island Yacht & Tennis	-		-	3,614,598	10	0.29%
SUB-TOTAL:	125,377,951		5.62%	64,362,088		5.17%
ALL OTHERS:	2,106,483,098		94.38%	1,180,615,106		94.83%
TOTAL:	$ 2,231,861,049		100.00%	$ 1,244,977,194		100.00%

NOTES: The 2021 tax roll was the basis for ad valorem tax receipts received during FY 2022 and the 2012 tax roll was the basis for ad valorem tax receipts received during FY 2013

SOURCE: Pinellas County Property Appraiser, Real Estate Taxes not including TPP

City of Treasure Island, Florida
Property Tax Levies and Collections - Last Ten Fiscal Years

FISCAL YEAR	COLLECTIONS WITHIN THE FISCAL YEAR OF LEVY			COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	TAX LEVY	AMOUNT	PERCENT OF LEVY		AMOUNT	PERCENT OF CURRENT LEVY
2013	3,905,244	3,781,450	96.8%	4,085	3,785,535	96.9%
2014	4,340,171	4,210,245	97.0%	3,125	4,213,370	97.1%
2015	4,636,851	4,481,472	96.6%	4,415	4,485,887	96.7%
2016	4,962,155	4,789,471	96.5%	3,654	4,793,125	96.6%
2017	5,322,273	5,143,630	96.6%	1,015	5,144,645	96.7%
2018	5,784,308	5,571,486	96.3%	13,251	5,584,737	96.5%
2019	6,364,657	6,145,404	96.6%	2,845	6,148,249	96.6%
2020	7,202,878	6,954,360	96.5%	6,736	6,961,096	96.6%
2021	7,630,365	7,368,482	96.6%	19,433	7,387,915	96.8%
2022	8,509,863	8,214,108	96.5%	10,181	8,224,289	96.6%

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DEBT CAPACITY

City of Treasure Island, Florida
Ratios or Outstanding Debt by Type – Last Ten Fiscal Years

Fiscal Year	Governmental Activities	Business-Type Activities			Total Business-Type Activities	Total Primary Government	Percentage of Personal Income	Government Activities Debt Per Capita	Business-Type Activities Debt Per Capita	Total Debt Per Capita
	Revenue Bonds	State Revolving Loan Fund	Revenue Bonds	Capital Leases						
2013	5,276,267	736,933	-	-	736,933	6,013,200	1.92%	787.15	109.94	897.09
2014	4,907,101	1,020,244	-	-	1,020,244	5,927,345	1.88%	723.55	150.43	873.98
2015	6,337,875	999,189	-	-	999,189	7,337,064	2.28%	933.41	147.16	1,080.57
2016	5,513,159	956,591	-	-	956,591	6,469,750	1.80%	810.16	140.57	950.73
2017	4,667,765	1,430,481	-	-	1,430,481	6,098,246	1.58%	676.19	207.23	883.42
2018	3,548,749	1,369,610	-	-	1,369,610	4,918,359	1.19%	500.81	193.28	694.10
2019	2,718,252	1,298,735	-	-	1,298,735	4,016,987	0.91%	374.78	179.06	553.84
2020	10,345,989	1,226,475	-	-	1,226,475	11,572,464	2.87%	1,454.11	172.38	1,626.49
2021	9,580,672	1,152,799	-	-	1,152,799	10,733,471	2.37%	1,386.49	166.83	1,553.32
2022	8,712,098	1,077,670	-	-	1,077,670	9,789,768	2.13%	1,322.82	163.63	1,486.45

City of Treasure Island, Florida
Direct and Overlapping Governmental Activities Debt

GOVERNMENTAL UNIT	NET DEBT OUTSTANDING	APPLICABLE TO CITY OF TREASURE ISLAND PERCENT [1]	APPLICABLE TO CITY OF TREASURE ISLAND AMOUNT
Direct Debt			
Loans	$ 8,712,098	100%	$ 8,712,098
Total direct debt	**$ 8,712,098**		**8,712,098**
Overlapping Debt			
Bonded Debt:			
Pinellas County Government	$ 6,318,081	2.28%	$ 143,945
Capital Leases:			
Pinellas County School Board	9,314,547	2.28%	$ 212,214
Pinellas County Government	$ 35,905,598	2.28%	$ 818,039
Total overlapping debt[2]	**$ 51,538,226**		**$ 1,174,198**
Total direct and overlapping debt	**$ 60,250,324**		**$ 9,886,296**
Overall debt to FY 2021 taxable value[3]			2.70%
Overall debt to per capita[4]			$ 1,501

(1) Applicable net debt percentage is based on ratio of City to County taxable values.

(2) The City of Treasure Island is not responsible for the debt of the County or School Board.

(3) 2021 taxable value was used to compute the FY 2022 budget.

(4) 2022 permanent Treasure Island population is estimated at 6586

City of Treasure Island, Florida
Legal Debt Margin Information – Last Ten Fiscal Years

LEGAL DEBT MARGIN - TOTAL DEBT[1]	9/30/22	9/30/21	09/30/20	09/30/19	09/30/18	09/30/17	09/30/16	09/30/15	09/30/14	9/30/13
Assessed Valuation of Tax Base[2]	$ 2,594,391,138	$ 2,309,590,687	$ 2,190,522,405	$ 2,042,582,845	$ 1,922,362,364	$ 1,777,019,734	$ 1,644,198,313	$ 1,563,428,668	$ 1,300,698,703	$ 1,244,977,194
Debt Limit-3.5% of Assessed Valuation	89,403,690	80,835,674	76,668,284	71,490,400	67,282,683	62,195,691	57,546,941	54,720,003	45,524,455	43,574,202
Amount of Debt Applicable to Debt Limit: Total Outstanding Principal	9,789,769	10,733,471	11,572,464	4,016,987	4,918,360	6,098,247	6,469,750	7,337,064	5,927,345	736,933
LEGAL DEBT MARGIN	$ 79,613,921	$ 70,102,203	$ 65,095,820	$ 67,473,413	$ 62,364,323	$ 56,097,444	$ 51,077,191	$ 47,382,939	$ 39,597,110	$ 42,837,269
LEGAL DEBT MARGIN - ANNUAL DEBT[1]										
Revenues Applicable to Debt Limit										
Total City Revenues	$ 30,244,292	$ 26,511,222	$ 24,427,357	$ 23,029,240	$ 23,194,786	$ 20,963,728	$ 19,303,912	$ 19,848,587	$ 17,560,330	$ 19,637,181
Less: State Revenue Sharing	253,326	205,503	188,131	197,161	192,859	189,156	186,700	201,809	183,605	182,375
Causeway Revenue	-	-	-	-	-	-	-	-	-	-
Total Revenues Applicable to Debt Limit:	29,990,966	26,305,719	24,239,226	22,832,079	23,001,927	20,774,572	19,117,212	19,646,778	17,376,725	19,454,806
Debt Limit: 20% of Total Revenues	5,998,193	5,261,144	4,847,845	4,566,416	4,600,385	4,154,914	3,823,442	3,929,356	3,475,345	3,890,961
Amount of Debt Applicable to Debt Limit: Current Debt Service[3]	1,180,686	1,099,238	604,808	1,022,042	1,736,568	1,040,669	1,036,647	559,717	559,533	-
LEGAL DEBT MARGIN	$ 4,817,507	$ 4,161,906	$ 4,243,037	$ 3,544,374	$ 2,863,817	$ 3,114,245	$ 2,786,795	$ 3,369,639	$ 2,915,812	$ 3,890,961

(1) Article IV, Section 4.10, Paragraph (b) (1) and (b) (2) of the City Charter specifically excludes Causeway debt from the Legal Debt Margin Computations.

(2) Assessed valuation per the DR-403V, the number reported prior to 2015 was the taxable vs assessed value.

(3) The Central Beach Trail BB&T Loan was paid off as of the 5/1/2018 payment date by paying off the loan to include a payment of $667,597 in addition to the debt service payment.

City of Treasure Island, Florida
Pledged Revenue Coverage –
Wastewater Fund –
Last Ten Fiscal Years

	GROSS REVENUE	EXPENSE[1]	NET REVENUE AVAILABLE FOR DEBT SERVICE	DEBT SERVICE REQUIREMENTS[2]			COVERAGE
				PRINCIPAL	INTEREST	TOTAL	
2013	3,620,957	3,161,795	459,162	-	-	-	n/a
2014	3,915,615	3,168,244	747,371	36,640	11,166	47,806	15.63
2015	3,983,203	3,013,693	969,510	21,055	26,974	48,029	20.19
2016	4,081,892	3,115,100	966,792	42,598	25,902	68,499	14.11
2017	4,149,533	2,973,322	1,176,211	43,721	24,778	68,499	17.17
2018	4,160,144	2,903,698	1,256,446	60,871	27,116	87,987	14.28
2019	4,384,406	3,488,284	896,122	70,876	25,811	96,687	9.27
2020	4,645,754	3,743,574	902,180	72,260	24,427	96,687	9.33
2021	5,032,794	4,089,678	943,116	73,676	23,011	96,687	9.75
2022	5,573,882	4,457,251	1,116,631	75,128	21,559	96,687	11.55

[1] Exclusive of Depreciation, Bond Interest and Transfers to Other Funds.

A State Revolving Loan required repayment in June 2014 and a second State Revolving Loan will requirement repayment beginning in October 2017.

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DEMOGRAPHIC AND ECONOMIC INFORMATION

City of Treasure Island, Florida
Demographic and Economic Statistics – Last Ten Fiscal Years

	Population[1]	Total City Personal Income[2]	Median Household Income[2]	Per Capita Personal Income[2]	Median Age[2]	Average Years of Formal Schooling[3]	Percentage of Bachelors Degree or Higher[3]	Public School Enrollment[4]	Unemployment Rate[5]
2013	6,703	312,829,010	-	46,670	56.5	13.88	-	233	7.4
2014	6,782	316,095,456	-	46,608	57.9	14.00	-	217	6.4
2015	6,790	321,669,460	-	47,374	58.3	14.00	-	216	5.7
2016	6,805	359,079,435	56,699	52,767	58.5	15.00	42.6%	198	4.4
2017	6,903	387,065,016	61,461	56,072	59.3	15.00	42.2%	199	3.1
2018	7,086	411,781,632	65,204	58,112	56.2	15.00	42.7%	198	3.5
2019	7,253	442,063,097	75,083	60,949	56.2	15.00	44.1%	168	3.0
2020	7,115	403,676,640	74,185	56,736	60.1	15.00	45.1%	135	6.1
2021	6,910	452,909,040	80,840	65,544	60.6	15.00	45.0%	127	5.2
2022	6,586	458,635,868	79,491	69,638	61.5	15.00	43.1%	134	2.4

Data Sources

(1) U.S. Census Bureau estimate and the University of Florida Bureau of Economic and Business Research between census.

(2) Pinellas County Economic Development, Treasure Island Demographics as of 2020

(3) Estimate based on educational attainment figures for population 25 years and over, U.S. Census Bureau and Pinellas County Economic Development for 2010 through 2019. Townchartscom/Florida/Education/Treasure-Island-city-FL-Education-data.html and US Census for 2011-2016.

(4) Public Pinellas County School District's demographer, K-12 school counts taken end of September 2010 to 2019

(5) Pinellas County Economic Indicators 2020
Pinellas County Economic Development Data for 2015-2019

City of Treasure Island, Florida
Principal Employers –
Current Year and Ten Years Ago

	2022			2013		
Employer Name	Number of * Employees	Rank	Percentage of Total City Employment	Number of * Employees	Rank	Percentage of Top 10 City Employment
Publix Super Market, Inc.	140	1	7.78%	114	2	4.18%
City of Treasure Island	122	2	6.78%	115	1	4.22%
Middle Grounds Grill LLC	81	3	4.50%	66	5	2.42%
JERAPCO INC dba VIP Lounge & Restaurant	69	4	3.83%			
Pour Behavior LLC dba The Saint	43	5	2.39%			
Pizaella LLC dba Britts Pizza	27	6	1.50%			
Treasure Island R Bar LLC	22	7	1.22%			
NOVA Hotel Renovation & Construction	21	8	1.17%			
Foxy's Beach Café INC	20	9	1.11%			
Animal Hospital of Treasure Island	16	10	0.89%			
Allied Specialty Insurance				65	6	2.38%
Bilmar Beach Resort				60	9	2.20%
Caddy's				65	6	2.38%
Gators Café & Saloon				95	3	3.48%
Sloppy Joe's				65	6	2.38%
The Club at Treasure Island				81	4	2.97%
Thunderbird, Castle Best Western				50	10	1.83%
Top 10 City Employment Total	561			776		
Total City Employment Total**	1,800			2726		

* Source : Pinellas County Economic Development
** estimate not seasonally adjusted

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OPERATING INFORMATION

City of Treasure Island, Florida
City Employees by Function -
Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018*	2017	2016	2015	2014	2013
FUNCTION										
General Government	14.40	15.68	13.00	11.95	11.98	12.00	12.00	12.00	12.00	11.50
Public Safety										
Police	24.40	23.30	24.73	23.60	24.10	23.00	23.00	23.00	23.00	26.50
Fire	17.85	17.35	17.43	14.93	14.58	14.50	14.50	14.50	14.50	13.50
Community Improvement	7.20	6.80	6.60	6.20	5.05	7.00	7.00	6.00	6.00	6.00
Public Works										
Equipment & Vehicle Maint.	0.60	0.75	0.65	0.65	0.65	1.55	1.55	2.30	2.30	2.30
Beautification/Beach Maint.	1.90	2.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Municipal Facilities	8.80	7.75	8.76	8.76	8.76	14.15	14.15	14.65	14.65	14.65
Causeway	6.675	7.66	8.42	8.42	8.40	5.55	5.55	5.05	5.05	4.55
Wastewater	5.00	5.30	5.50	5.70	5.70	7.90	7.90	8.00	8.00	8.00
Solid Waste	9.85	9.35	9.93	9.93	9.93	9.60	9.60	10.35	10.35	10.35
Stormwater Management	3.05	3.15	3.15	3.15	3.15	2.75	2.75	2.65	2.65	2.65
Culture and recreation	17.54	16.34	17.19	16.27	15.65	11.51	11.51	10.51	10.51	10.51
Total Full-Time Equivalents	117.265	115.43	115.36	109.56	107.95	109.51	109.51	109.01	109.01	110.51

Source: Budget Document

* Beginning in FY 2018 the calculation for Full-Time Equivalents uses hours budgeted as a factor of total hours available for a more precise number, mostly impacting part-time position calculations.

City of Treasure Island, Florida
Operating Indicators by Function - Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FUNCTION										
Police										
Physical arrests	265	227	265	333	343	336	425	329	349	385
Parking violations	5,227	2,648	4,071	4,108	3,151	4,400	4,027	2,830	2,418	3,013
Traffic violations	1,722	1,178	1,654	1,535	1,889	1,736	1,643	1,142	1,733	1,982
Fire										
Incidents/Calls answered										
EMS	1,696	1,845	1,192	1,308	1,291	1,373	1,257	1,255	1,197	1,015
Fire	193	402	101	124	117	268	253	249	189	366
Fire alarm systems	97	111	74	109	93	122	114	118	101	107
Hazardous conditions	35	9	6	5	0	0	0	66	27	63
Other incidents	158	230	109	2	63	321	248	61	23	66
Inspections	269	187	196	366	240	35	10	295	152	137
Re-inspections	168	213	N/A							
Highways and streets										
Street sweeping (miles)	540	648	648	648	648	648	648	648	648	648
Causeway										
Bridge openings	1,857	1,538	1,626	1,613	1,876	2,008	2,135	1,946	2,237	979
Sanitation										
Yard waste collected (tons)	701	810	764	721	857	676	421	243	353	211
Recyclables collected (tons)	759	797	796	714	723	829	819	775	707	744
Solid waste collected (tons)	6,877	7,339	6,597	7,501	7,495	7,631	7,947	7,807	7,446	7,567
Culture and recreation										
Number of golfers	9,500	7,894	6,870	8,013	8,581	9,333	9,326	10,015	10,257	9,658
Number of tennis players	11,250	11,176	6,078	8,100	8,420	8,320	8,537	7,295	9,139	8,148
Children's program enrollments	120	110	82	195	175	180	174	261	196	200
Number paid facilities rentals	150	199	67	146	147	88	81	76	66	41
Wastewater										
Wastewater processed (thousands of gallons)	455,597	465,767	476,416	451,670	435,847	431,274	510,373	490,985	459,713	372,431
Sanitary Sewers/Storm Drains										
Lines Cleaned (lineal feet)	29,522	44,075	22,321	59,421	12,361	16,055	32,368	48,185	37,553	36,234

Sources: Various City Departments

City of Treasure Island, Florida
Capital Asset Statistics by Function - Last Ten Fiscal Years

September 30,	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
FUNCTION										
Public Safety										
Police										
Police station	1	1	1	1	1	1	1	1	1	1
Patrol units	5	5	5	5	5	5	5	5	5	5
Patrol boats	1	1	1	1	1	1	1	1	1	1
Fire										
Fire station	1	1	1	1	1	1	1	1	1	1
Pumper trucks	2	2	2	2	2	2	2	2	2	2
Rescue Vehicles	1	1	1	1	1	1	1	1	1	1
Sanitation										
Collection trucks	8	8	7	6	8	6	5	5	5	5
Refuse dumpsters	385	420	423	390	390	384	384	384	394	392
Highways and streets										
Streets (miles)	27	27	25	25	25	25	25	25	25	25
Streetlights	1,260	1,260	1,060	1,060	1,060	1,060	1,060	1,060	1,060	1,060
Traffic signals[1]	6	6	6	6	6	6	6	6	6	6
Causeway										
Bascule bridge	1	1	1	1	1	1	1	1	1	1
East/West bridges	2	2	2	2	2	2	2	2	2	2
Culture and recreation										
Beach Trail	1	1	1	1	1	1	1	1	1	1
Public beach access	30	30	30	30	30	30	30	30	30	30
Public beach acreage	181	181	181	181	181	181	181	181	181	181
Parks acreage	24	24	24	24	24	24	24	24	24	24
Community/Neighborhood Parks	5	5	5	5	5	5	5	5	5	5
Mini Parks/Bay Access	15	15	15	15	15	15	15	15	15	15
Golf course	1	1	1	1	1	1	1	1	1	1
Tennis courts	12	12	12	12	12	12	12	12	12	12
Community centers	1	1	1	1	1	1	1	1	1	1
Auditorium	1	1	1	1	1	1	1	1	1	1
Marina (number of slips)	14	14	14	14	14	14	14	14	14	14
Pavillion	1	1	1	1	1	1	1	1	1	1
Sewer										
Gravity lines (miles)	24	24	24	24	24	24	24	24	24	24
Force main (miles)	4	4	4	4	4	4	4	4	4	4
Manholes	466	466	466	466	466	466	466	466	466	466
CTI Cleanouts	48	48	48	48	48	48	48	48	48	48
Lift Stations (sewer)	11	11	11	11	11	11	11	11	11	11
Lift Stations (stormwater)	1	1	1	1	1	1	1	1	1	1
Master pump station	1	1	1	1	1	1	1	1	1	1

Sources: Various city departments.

(1) Number of Streetlights were estimated in year 2006.

(2) Addition of Signal at 104th Ave & Gulf Blvd in year 2013.

(3) East/West bridges were replaced 2013

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COMPLIANCE SECTION

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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
City of Treasure Island, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Treasure Island, Florida (the "City"), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise City's basic financial statements and have issued our report thereon dated June 30, 2023.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

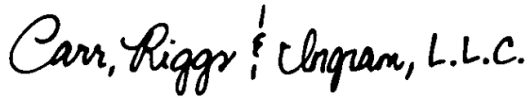
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CARR, RIGGS & INGRAM, LLC

Tampa, Florida
June 30, 2023

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Honorable Mayor and Members of the City Council
City of Treasure Island, Florida

Report on Compliance for Each Major State Project

Opinion on Each Major State Project

We have audited City of Treasure Island, Florida's (the "City") compliance with the types of compliance 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 City's major state projects for the year ended September 30, 2022. The City's major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Treasure Island complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major State Project

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; the audit requirements of Chapter 10.550, Rules of the Auditor General, *Florida Single Audit Act Audits – Local Governmental Entity Audits*. Our responsibilities under those standards and Chapter 10.550, Rules of the Auditor General, are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major state project. Our audit does not provide a legal determination of City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to City's state projects.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.550, Rules of the Auditor General, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City's compliance with the requirements of each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a 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 state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
June 30, 2023

City of Treasure Island, Florida
Schedule of Expenditures of State Financial Assistance
For the Year Ended September 30, 2022

State Grantor/ Pass-Through Grantor/Program	CSFA Number	Pass-Through Entity Indentifying Grant /Loan Number	Expenditures	Amount provided to Subrecipients
State Financial Assistance				
Department of Transportation:				
Local Transportation Projects	**55.039**	FPN: 441503 1 54 01	$ 1,200,000	$ -
Local Transportation Projects	**55.039**	44257 1 54 01	89,287	-
Total Department of Transportation			1,289,287	-
Department of Environmental Protection:				
Statewide Surface Restoration and Wastewater Projects	**37.039**	LPA0230	26,696	-
Total Department of Environmental Protection			26,696	-
Department of Economic Opportunity:				
Growth Management Implementation	**40.024**	P0420	50,000	-
Total Department of Economic Opportunity			50,000	-
Department of Financial Services:				
Fire Decontamination Equipment Grant Project	**43.013**	FM629	1,723	-
Total Department of Financial Services			1,723	-
Total Expenditures of State Financial Assistance			$ 1,367,706	$ -

See accompanying notes to schedule of expenditures of federal awards and state assistance

NOTE 1 - GENERAL

This schedule represents the State-initiated grant activity of the City of Treasure Island, Florida (the "City"), recorded by the City during the fiscal year ended September 30, 2022. For purposes of this schedule, state financial assistance includes state assistance received directly from a state agency as well as state funds received indirectly by the City from non-federal or non-state organizations. Because the schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position or cash flows of the City.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The information in this schedule is presented in accordance with the requirements of Chapter 69I-5, Schedule of Expenditures of State Financial Assistance, Rules of the Department of Financial Services; and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements of the City.

B. Basis of Accounting

The expenditures in this schedule are presented using the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are recognized when the City becomes obligated for a payment as a result of the receipt of the related goods and services.

NOTE 3 - CONTINGENCIES

Grant monies received and disbursed by the City are for specific purposes and are subject to review by grantor agencies. Such audits may result in requests for reimbursements due to disallowed expenditures. Based upon prior experience, the City does not believe such disallowances, if any, would have a material effect on the financial position of the City. Management is not aware of any material questioned or disallowed costs as a result of grant audits in process or completed; however, the possible disallowance by a government agency of any item charged to the program cannot be determined at this time.

City of Treasure Island, Florida
Schedule of Findings and Questioned Costs - State Financial Assistance
For the Year Ended September 30, 2022

SECTION I – SUMMARY OF AUDITORS' RESULTS

Financial Statements:

1.	Type of auditors' report issued	Unmodified
2.	Internal control over financial reporting:	
	a. Material weaknesses identified?	None
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
	c. Noncompliance material to the financial statements noted?	None

State Projects:

1.	Type of auditors' report issued on compliance for major programs	Unmodified
2.	Internal control over major programs:	
	a. Material weaknesses identified?	None
	b. Significant deficiencies identified not considered to be material weaknesses?	None noted
3.	Any audit findings disclosed that are required to be reported in accordance with Rule 10.554(1)(l)(4)?	None

3. Identification of major programs:

CSFA Number	Project
55.039	Local Transportation Projects

5. Dollar threshold used to distinguish between type A and type B programs: $750,000

SECTION II – FINANCIAL STATEMENT FINDINGS

None noted

SECTION III – STATE PROJECT FINDINGS

None noted

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

No prior year audit findings.

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MANAGEMENT LETTER

Honorable Mayor and Members of the City Council
City of Treasure Island, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Treasure Island, Florida (the "City"), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated June 30, 2023.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditors' Report on Compliance for Each Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General, and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States. Disclosures in those reports and schedule, which are dated June 30, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No audit findings or recommendations were noted in the preceding annual financial audit report.

Financial Condition and Management

Section 10.554(1)(i)5.a and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City has met one of more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the City did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

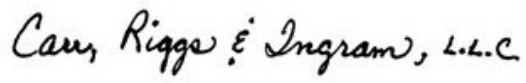
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Mayor and Members of the City Council, and applicable management**,** and is not intended to be and should not be used by anyone other than these specified parties.



CARR, RIGGS & INGRAM, LLC

Tampa, Florida
June 30, 2023

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INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Mayor and Members of the City Commission
City of Treasure Island, Florida

We have examined City of City of Treasure Island, Florida's, (the "City"), compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2022. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included 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. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

Our examination does not provide a legal determination on City's compliance with specified requirements.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida
June 30, 2023