



Pinellas Suncoast Fire & Rescue

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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL
YEAR ENDED SEPTEMBER 30, 2013

Davidson, Jamieson & Cristini, P.L.
Certified Public Accountants

COMPREHENSIVE
ANNUAL FINANCIAL REPORT
OF
PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
FOR THE
FISCAL YEAR ENDED SEPTEMBER 30, 2013

PREPARED BY THE
FINANCE DIRECTOR

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

BOARD OF FIRE COMMISSIONERS

Lawrence G. Schear, Chairman

James G. Mortellite
Vice Chairman

Laura Martin
Fire Commissioner

James C. Terry
Secretary/Treasurer

Fire Chief

Finance Director

Robert O. Polk

David Martin

INTRODUCTORY SECTION

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
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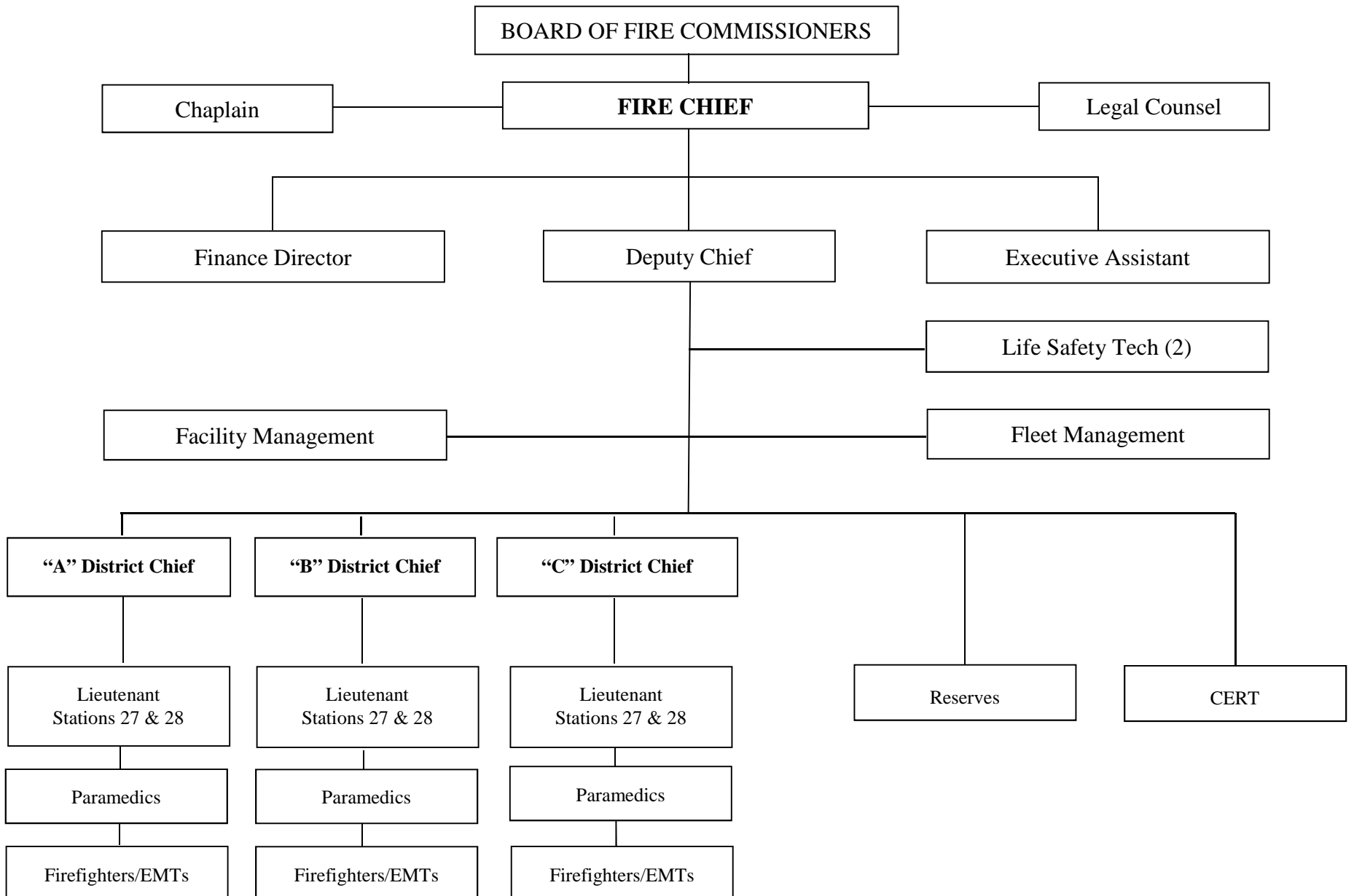
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PINELLAS SUNCOAST FIRE & RESCUE DISTRICT ORGANIZATIONAL STRUCTURE



PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

LISTING OF DISTRICT OFFICIALS

ELECTED OFFICIALS

Commissioner - Seat 2 Indian Rocks Beach	Laura Martin
Commissioner - Seat 4 Unincorporated Pinellas County	James G. Mortellite
Commissioner - Seat 1 Indian Shores	Lawrence G. Schear
Commissioner - Seat 5 Unincorporated Pinellas County	James C. Terry
Commissioner - Seat 3 Belleair Beach & Belleair Shore	Vacant

APPOINTED OFFICIALS

Fire Chief	Robert O. Polk
Attorney	Jeff Albinson

FINANCIAL SECTION

This section contains the following subsections:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

General Fund Financial Statements

INDEPENDENT AUDITOR'S REPORT

Davidson, Jamieson & Cristini, P.L.
Certified Public Accountants

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Florida Institute of
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have audited the accompanying financial statements of the governmental activities, each major fund, the budgetary comparisons for the general fund, and the aggregate remaining fund information of Pinellas Suncoast Fire & Rescue District as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error, in making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Pinellas Suncoast Fire & Rescue District as of September 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statement, 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.

Board of Fire Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Pinellas Suncoast Fire & Rescue District's basic financial statements. The introductory section, combining and individual fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or any assurance on them.

Davidson, Jamieson & Creative, P.L.

November 22, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis

September 30, 2013

As management of the Pinellas Suncoast Fire & Rescue District (district), we offer readers of the district's financial statements this narrative overview and analysis of the district's financial activities for the fiscal year ended September 30, 2013.

FINANCIAL HIGHLIGHTS

- (A) The assets of the district exceeded its liabilities at the close of the 2013 fiscal year by \$3,499,896 (*net position*). Of this amount, \$1,654,809 (*unrestricted net position*) may be used to meet the district's ongoing obligations to property owners and creditors.
- (B) The district's net position increased by \$162,937. This increase was the net result of a \$23,730 net position reduction in Capital Projects, a \$55,385 net position increase in the General Fund, a \$15,621 reduction in net capital assets, reductions on long term debt obligations (\$79,802 in OPEB and \$49,606 in compensated absences, neither of which require the use of current financial resources), a \$2,716 increase in accrued interest expense and a one-time \$273,595 reduction in debt to pay off the 2010 Pierce engine lease obligation.
- (C) As of the close of the 2013 fiscal year, the district's governmental fund (general and capital projects funds) reported an ending fund balance of \$2,507,676. This was an increase of \$31,655 in comparison with the prior year. Approximately \$2,228,859 is available for spending at the district's discretion.
- (D) The district entered into a seven year lease in fiscal year 2010 for the replacement of a "Pumper" engine that was paid in full in June 2013 to reduce future interest expense commitments against the district. Outstanding debt includes compensated absences and obligations for post-employment healthcare at the end of fiscal year 2013 totaling \$574,050.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the district's finances, using accounting methods similar to a private-sector business. These statements

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis

September 30, 2013

include all assets and liabilities on the accrual basis of accounting. All current year revenues and expenses are taken into account regardless of when the cash is received or paid.

The *statement of net assets* presents information on all of the district's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the district is improving or deteriorating.

The *statement of activities* presents information showing how the district's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. 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. unused vacation leave).

The government-wide financial statements should distinguish functions of the Pinellas Suncoast Fire & Rescue District (district) that are principally supported by the district's residents 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). All of the district's activities are governmental. The district is the *primary government* and has no component units.

The government-wide financial statements can be found on pages 14 and 15 of this report.

Fund Financial Statements

Traditional users of government financial statements will find the fund financial statement presentation more familiar. The fund financial statements provide more information about the District's general fund - not the District as a whole.

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 district, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The district's funds consist of the general fund and the capital projects fund categories.

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

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

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis

September 30, 2013

information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the district's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The district maintains two governmental funds, its general fund and a capital projects fund. These funds are presented in the governmental fund balance sheets and in the governmental fund statement of revenues, expenditures, and changes in fund balances.

The district adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14 through 20 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are *not* reflected in the government-wide financial statements because resources of those funds are *not* available to support the district's own programs. Accounting used for fiduciary funds is much like that used for the government-wide financial statements.

The District had no fiduciary funds in 2013.

Notes to the financial statements

The notes 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 on pages 21 through 51 of this report.

Other information

Individual general fund financial statements and schedules can be found on pages 52 - 58 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the district's case, assets exceeded liabilities by \$3,499,896 at the fiscal year ended on September 30, 2013.

The district's capital assets represent investments in land, buildings and improvements and equipment. Approximately 45% of the total net assets are capital assets. The district uses these capital assets to

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2013

provide services to its citizens and property owners, consequently these assets are not available for future spending. Although the district's investment in its capital assets is reported net of related debt, it should be noted that the district has no debt outstanding and the capital assets themselves cannot be used to liquidate general operating liabilities.

The *unrestricted* category of net assets, with a balance of \$1,654,809 at year end, may be used to meet the district's ongoing obligations to citizens and creditors and is shown in the following schedule:

	<u>Governmental Activities</u>	
	<u>2013</u>	<u>2012</u>
Cash	\$ 1,163,283	\$ 2,016,173
Other current assets	1,567,406	634,203
Capital assets, net	<u>1,566,270</u>	<u>1,581,891</u>
Total Assets	4,296,959	4,232,267
Long-term liabilities	457,584	548,991
Other liabilities	<u>339,479</u>	<u>346,317</u>
Total liabilities	797,063	895,308
Net Assets:		
Capital assets	1,566,270	1,308,296
Capital projects	278,817	302,547
Unrestricted	<u>1,654,809</u>	<u>1,726,116</u>
Total Net Assets	<u>\$ 3,499,896</u>	<u>\$ 3,336,959</u>

During FY 2012-2013 the district increased net position by 4.9% (\$162.9k). The primary reason for this increase is due to a \$273.6k reduction in debt to pay off the 2010 engine lease obligation to reduce future interest expenditures. Other factors contributing to the net position change include a \$31.7k net change in net position, a \$15.6k decrease in depreciated capital assets, a net decrease of \$129.4k in compensated long term debt (this does not require the use of current financial resources) and a small amount of accrued interest.

Governmental activities. As the district has no business-type activities, governmental activities were responsible for increasing the district's net position. This is attributable to overall revenues increasing by 2.6% (\$114.2k) and normal recurring operating expenditures remaining the same over FY 2011-2012, plus non-recurring expenditures that include \$108.9k in capital expenditures and a one-time payment of \$210.4k to pay off the long term lease obligation for the 2010 Pierce Engine, a \$15.6k reduction in net capital depreciation and a \$146.9k increase from expenses that do not require the use of current financial resources that are not reported as expenditures in governmental fund.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2013

Pinellas Suncoast Fire & Rescue District's Change in Net Position

	Governmental Activities	
	2013	2012
Program Revenues:		
Charges for services	\$ 67,311	\$ 75,954
Operating and capital contributions	-	-
Total Program Revenues	67,311	75,954
General Revenues:		
Property assessments	3,609,518	3,552,094
Impact fees	80,029	18,240
Investment earnings	21,389	26,296
Intergovernmental revenue	636,510	592,656
Other	102,856	109,835
Total General Revenues	4,450,302	4,299,121
Total Program and General Revenues	4,517,613	4,375,075
Expenses		
Public Safety - Fire and EMS Protection	4,354,676	4,069,373
Total Expenses	4,354,676	4,069,373
Increase (decrease) in net position	162,937	305,702
Net position, beginning of year	3,336,959	3,031,257
Net position, end of year	\$ 3,499,896	\$ 3,336,959

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis September 30, 2013

Financial Analysis of the District's Funds

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

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

The general fund is the district's chief operating fund. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$1,311,993. As a measure of the general fund's liquidity, it is beneficial to compare the unassigned fund balance to total fund expenditures. The unassigned fund balance represents 30.0% of total general fund expenditures.

Total fund balance of the General Revenue Fund increased \$55,385 during the current fiscal year. Key factors in this increase are as follows:

- The five trucks replaced during the year were sold at normal used vehicle rates, generating proceeds in the amount of \$28.3k.
- The net expense reimbursement and refunded expenses is a \$9.3k surplus. This surplus is directly due to a favorable Worker's Compensation audit, auto insurance refund and refunded payroll earnings from worker's compensation claims.
- Personal compensation is 2.1% under budget due to a combination of new hire deferrals, lower retirement pay outs and having shifts fully staffed, facilitating manageable overtime usage.
- Personal benefits is 9% under budget due to managed FICA taxes, FRS reductions from staff replacements at lower salaries, a slight decrease in the annual FRS rate increase, reduced AD&D rates realized through our new insurance agent, lower unemployment claim costs and a deferral of Worker's Compensation Insurance increases.
- General operating expenditures: Throughout the year we have generated savings from communications, facility expenditures, office supplies, IT expenditures, shift personnel expenditures and a 4th quarter reduction in fuel pricing. Total operating expenditures are favorable by 3.7%. Our expense management and controls programs have enabled costs to be maintained at the lowest possible levels, producing additional contributions to our reserves.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2013

- Excess revenue over expenses: Comprehensive fiscal management of all expenditures has resulted in a 6.0% normal operating surplus (\$265.8k). Subsequent funding of apparatus lease pay off resulted in the \$55.4k General Fund Balance increase, strengthening essential reserves for future new and replacement capital expenditure requirements and reinforcing the department's growing asset base.

General Fund Budgetary Highlights

The annual budget is legally adopted for the Capital Projects Fund and the General Fund. The adopted budget was amended three times during the fiscal year. The first amendment reduced the capital expenditure budget; the second approved a full pay-out of the long term capital lease to reduce future interest expense and fund balance exposure; and the third transferred budget between line items to reflect changes in operating expenditures.

As in past years, property assessment and EMS income represents the greater portion (96%) of the district's total revenue of \$4,404.1k. The 4% differential reflects fire safety and non-repetitive income streams.

Fiscal Year 2013 Budget - General Fund

	2013			2012
	Budget (Final)	Actual	Variance	Actual
Revenues:				
Property Assessments	\$ 3,598,240	\$ 3,609,518	\$ 11,278	\$ 3,552,094
Other	729,768	760,755	30,987	796,406
Total Revenues	4,328,008	4,370,273	42,265	4,348,500
Expenditures:				
General government:				
Public Safety - Fire and EMS	4,524,049	4,354,676	169,373	4,166,213
Net change in fund balance	\$ (196,041)	\$ 15,597	\$ 211,638	\$ 182,287

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2013

Fiscal Year 2012 Budget - General Fund

	2012			2011
	Budget (Final)	Actual	Variance	Actual
Revenues:				
Property Assessments	\$ 3,5000.000	\$ 3,552,094	\$ 52,094	\$ 3,595,772
Other	699,279	796,406	97,127	799,647
Total Revenues	4,199,279	4,348,500	149,221	4,395,419
Expenditures:				
General government:				
Public Safety - Fire and EMS	4,191,212	4,166,213	24,999	4,179,844
Net change in fund balance	<u>\$ 8,067</u>	<u>\$ 182,287</u>	<u>\$ 174,220</u>	<u>\$ 215,575</u>

Capital Assets

At the end of 2013, the district's investment in capital assets for its governmental activities was \$1,566,270 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements and equipment.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis
September 30, 2013

Change in Capital Assets - Governmental Activities

	2013			2012
	Beginning Balance	Net Additions/ (Deletions)	Ending Balance	Ending Balance
Land	\$ 61,000	\$ -	\$ 61,000	\$ 61,000
Buildings and improvements	349,350	-	349,350	349,350
Equipment	2,427,615	63,112	2,490,727	2,427,615
Total capital assets	2,837,965	63,112	2,901,077	2,837,965
Less accumulated depreciation	(1,256,074)	(78,733)	(1,334,807)	(1,256,074)
Capital assets, net	<u>\$ 1,581,891</u>	<u>\$ (15,621)</u>	<u>\$ 1,566,270</u>	<u>\$ 1,581,891</u>
	2012			2011
	Beginning Balance	Net Additions/ (Deletions)	Ending Balance	Ending Balance
Land	\$ 61,000	\$ -	\$ 61,000	\$ 61,000
Buildings and improvements	349,350	-	349,350	349,350
Equipment	2,289,641	139,974	2,427,615	2,289,641
Total capital assets	2,699,991	137,974	2,837,965	2,699,991
Less accumulated depreciation	(1,096,285)	(159,789)	(1,256,074)	(1,096,285)
Capital assets, net	<u>\$ 1,603,706</u>	<u>\$ (21,815)</u>	<u>\$ 1,581,891</u>	<u>\$ 1,603,706</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

Management's Discussion and Analysis September 30, 2013

Total Capital

Additional information on the district's capital assets can be found in note 7 on page 41 of this report.

LONG-TERM DEBT

At the end of 2013, the district had total long-term debt outstanding made up of a post-employment health care obligation and accrued sick and vacation pay totaling \$574,050.

More detailed information about the district's long-term debt can be found in note 8 on page 42 of this report.

ECONOMIC FACTORS

The district's board of commissioners approved a \$4,524,049 budget for the 2013 fiscal year.

The district's board of commissioners approved a \$4,524,049 budget for the 2013 fiscal year. This amended budget represents an 8.6% increase from the previous year's actual expenditures providing for a full payoff of the long term lease obligation, plus contingencies to cover the following major possibilities:

- Health Care increases due to new federal government regulations.
- Excess overtime due to work related injuries.
- Workers compensation insurance increase due to actual and general experience rate computations.
- Unpredictable major apparatus break-down repair costs.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide a general overview of the district's finances for the district's residents and creditors. Questions concerning this report or requests for additional financial information should be directed to

Fire Chief Robert O. Polk
304 First Street
Indian Rocks Beach, Florida 33785-2508

BASIC FINANCIAL STATEMENTS

This section contains the following subsections:

Government-Wide Financial Statements

Statement of Net Position
Statement of Activities

Fund Financial Statements

Governmental Fund Financial Statements

Balance Sheet - Governmental Fund
Reconciliation of the Balance Sheet to the Statement of
Net Position - Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Governmental Fund
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balance of the Governmental Funds to the Statement of Activities -
Governmental Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual:
General Fund

Notes to Financial Statements

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF NET POSITION

SEPTEMBER 30, 2013

ASSETS

Cash	\$ 1,163,283
Investments	1,501,085
Receivables	
net of allowance for uncollectible accounts	66,321
Capital Assets:	
Land	61,000
Buildings and improvements	349,350
Equipment	2,490,727
Accumulated depreciation	<u>(1,334,807)</u>
Total capital assets, net	<u>1,566,270</u>
TOTAL ASSETS	4,296,959

LIABILITIES

Accounts payable	92,618
Accrued salaries and benefits	130,395
Noncurrent liabilities	
Due within one year	116,466
Due in more than one year	<u>457,584</u>
TOTAL LIABILITIES	797,063

NET POSITION

Invested in capital assets, net of related debt	1,566,270
Restricted for capital projects	278,817
Unrestricted	<u>1,654,809</u>
TOTAL NET POSITION	<u>\$ 3,499,896</u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

EXPENSES:

Public safety - fire and EMS protection:

Personnel services	\$ 3,514,949
Materials and supplies	677,767
Depreciation	<u>161,960</u>

Total public safety - fire and EMS protection	<u>4,354,676</u>
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TOTAL PROGRAM EXPENSES	4,354,676
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PROGRAM REVENUES:

Charges for services	<u>67,311</u>
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Total program revenues	<u>67,311</u>
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Net program expenses	4,287,365
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GENERAL REVENUES:

Assessments	3,609,518
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Impact fees	80,029
-------------	--------

Intergovernmental Revenue:

County-EMS	613,664
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Federal	16,505
---------	--------

State	6,341
-------	-------

Investment earnings	21,389
---------------------	--------

Miscellaneous	<u>102,856</u>
---------------	----------------

TOTAL GENERAL REVENUES	<u>4,450,302</u>
------------------------	------------------

CHANGE IN NET POSITION	162,937
------------------------	---------

NET POSITION - BEGINNING	<u>3,336,959</u>
--------------------------	------------------

NET POSITION - ENDING	<u>\$ 3,499,896</u>
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See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2013

(with comparative totals as of September 30, 2012)

<u>ASSETS</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>	<u>Totals 2012</u>
Cash	\$ 884,466	\$ 278,817	\$ 1,163,283	\$ 2,016,173
Investments	1,501,085		1,501,085	554,279
Receivables (net of allowance for uncollectibles):				
State	960	-	960	810
County	51,139	-	51,139	72,426
Accounts	14,222	-	14,222	6,688
TOTAL ASSETS	\$ 2,451,872	\$ 278,817	\$ 2,730,689	\$ 2,650,376

LIABILITIES AND FUND BALANCE

Liabilities:				
Accounts payable	\$ 92,618	\$ -	\$ 92,618	\$ 63,354
Accrued salaries and benefits payable	130,395	-	130,395	111,001
	223,013	-	223,013	174,355
Fund balance:				
Restricted	-	278,817	278,817	302,547
Assigned	916,866	-	916,866	1,454,882
Unassigned	1,311,993	-	1,311,993	718,592
	2,228,859	278,817	2,507,676	2,476,021
Total liabilities and fund balance	\$ 2,451,872	\$ 278,817	\$ 2,730,689	\$ 2,650,376

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET ASSETS

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2013

Fund balance - total governmental fund \$ 2,507,676

Amounts reported for governmental activities in the statement of
net assets are different because:

Capital assets used in governmental activities are not financial
resources and therefore are not reported in the governmental fund.

Governmental capital assets	\$ 2,901,077	
Less accumulated depreciation	<u>(1,334,807)</u>	
		1,566,270

Long-term liabilities are not due and payable
in the current period and therefore are not reported in
the governmental fund.

Post-employment health care obligations	108,186	
Compensated absences	<u>465,864</u>	
		<u>574,050</u>

Net position of governmental activities \$ 3,499,896

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

SEPTEMBER 30, 2013

(with comparative totals for the fiscal year ended September 30, 2012)

	<u>General</u>	<u>Capital</u>	<u>Total</u>	<u>Total</u>
	<u>Fund</u>	<u>Projects</u>	<u>Governmental</u>	<u>2012</u>
			<u>Funds</u>	
REVENUES:				
Assessments	\$ 3,609,518	\$ -	\$ 3,609,518	\$ 3,552,094
Intergovernmental	636,510	-	636,510	592,656
Impact fees	-	80,029	80,029	18,240
Charge for services	67,311	-	67,311	75,954
Investment income	16,254	5,135	21,389	26,296
Miscellaneous	74,556	-	74,556	109,835
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL REVENUES	4,404,149	85,164	4,489,313	4,375,075
EXPENDITURES:				
Current:				
Public safety - Fire and EMS:				
Personnel services	3,465,343	-	3,465,343	3,489,920
Operating services	884,200	108,894	993,094	658,015
Capital outlay	27,521	-	27,521	19,969
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL EXPENDITURES	4,377,064	108,894	4,485,958	4,167,904
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	27,085	(23,730)	3,355	207,171
OTHER FINANCING SOURCES:				
Proceeds from sale of equipment	28,300	-	28,300	-
Proceeds from capital lease	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total other financing sources	28,300	-	28,300	-
NET CHANGE IN FUND BALANCE	55,385	(23,730)	31,655	207,171
FUND BALANCE, OCTOBER 1	<hr/>	<hr/>	<hr/>	<hr/>
FUND BALANCE, SEPTEMBER 30	\$ 2,228,859	\$ 278,817	\$ 2,507,676	\$ 2,476,021
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF THE GOVERNMENTAL FUND
TO THE STATEMENT OF ACTIVITIES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

Net change in fund balance - total governmental fund \$ 31,655

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives.

Expenditures for capital assets	\$ 146,339	
Less current year depreciation	<u>161,960</u>	
		(15,621)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental fund:

Accrued interest expense	2,716	
Debt payments	273,595	
Post-employment health care obligations	(79,802)	
Change in compensated absences	<u>(49,606)</u>	<u>146,903</u>

Change in net position of governmental activities \$ 162,937

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL AMOUNTS</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES:				
Assessments	\$ 3,598,240	\$ 3,598,240	\$ 3,609,518	\$ 11,278
EMS contract	613,664	613,664	613,664	-
Intergovernmental	3,240	3,240	22,846	19,606
Charge for services	63,800	63,800	67,311	3,511
Investment income			16,254	16,254
Miscellaneous	49,064	49,064	74,556	25,492
TOTAL REVENUES	4,328,008	4,328,008	4,404,149	76,141
EXPENDITURES:				
Current:				
Public safety - Fire and EMS:				
Personnel services	3,679,427	3,624,427	3,465,343	159,084
Operating	630,125	869,101	884,200	(15,099)
Capital outlay	4,000	30,521	27,521	3,000
TOTAL EXPENDITURES	4,313,552	4,524,049	4,377,064	146,985
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES:	14,456	(196,041)	27,085	223,126
OTHER FINANCING SOURCES:				
Proceeds from sale of equipment			28,300	28,300
TOTAL OTHER FINANCING SOURCES			28,300	28,300
NET CHANGE IN FUND BALANCE	14,456	(196,041)	55,385	251,426
FUND BALANCE, OCTOBER 1	2,173,474	2,173,474	2,173,474	-
FUND BALANCE, SEPTEMBER 30	\$ 2,187,930	\$ 1,977,433	\$ 2,228,859	\$ 251,426

See Notes to Financial Statements.

NOTES TO
FINANCIAL STATEMENTS

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies

The Pinellas Suncoast Fire & Rescue District (District) maintains its accounting records in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below:

Reporting Entity - The District is a political subdivision of the State of Florida, located in Pinellas County in the southwest portion of the State. The District was incorporated in 1953 under the provisions of the Laws of Florida, Chapter 29438 under a Board of Commissioners (Board) structure. On June 5, 2000, the Charter was amended to, among other items, provide for the renaming of the District and restated the boundaries of the District. The District is approximately nine square miles in area. The District was organized to prevent and control damage, destruction or injury to people or property by fire, disaster, or other emergencies and to provide Emergency Medical Services (EMS) to citizens in need in the District in accordance with an annually renewable agreement for services between the District and the Pinellas County, Florida Board of County Commissioners.

In evaluating how to define the Pinellas Suncoast Fire & Rescue District, (the primary government) for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GASB Statement No. 14.

This governmental accounting standard requires that this financial statement present the District (the primary government) and its component units. Component units generally are legally separate entities for which a primary government is financially accountable. Financial accountability ordinarily involves meeting both of the following criteria: the primary government is accountable for the potential component unit (i.e., the primary government appoints the voting majority of its board) and the primary government is able to impose its will upon the potential component unit, or there is a possibility that the potential component unit may provide specific financial benefits or impose specific financial burdens on the primary government. The following component units have been presented in the District's reporting entity as blended component units because of the significance of their operational or financial relationships with the District.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Government-wide and fund financial statements - As discussed more fully in Note 2 the District has adopted the provisions of GASB Statement No. 34, "Basic Financial Statements and Management Discussion and Analysis for State and Local Governments." The government-wide financial statements required under this statement (the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are supported by taxes and intergovernmental revenues, continue to be reported separately from fiduciary funds.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *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 or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental (general and capital projects) funds. Fiduciary funds and component units that are fiduciary in nature (i.e. the pension trust funds) are excluded from the government-wide financial statements. The District does not currently have any fiduciary funds. The major individual governmental fund is reported as a separate column in the fund financial statements.

Since the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental activities column, a reconciliation is presented on the page following each statement, which briefly explains the adjustments necessary to reconcile the fund based financial statements to the governmental activities column of the government-wide presentation.

Measurement focus, basis of accounting, and financial statement presentation- The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property assessments are

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

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.

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 District 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.

The only revenue that is susceptible to accrual is interest revenue. EMS revenues collected and held by Pinellas County, Florida at year end on behalf of the District also are recognized as revenue of the current fiscal period. Plan and inspection fees are not susceptible to accrual because generally they are not measurable until received in cash. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *capital projects fund* accounts for revenues generated under the Public Safety Construction Fee Resolution which is designated for acquisition and construction of capital improvements. This Resolution was adopted and the fund was established during the fiscal year ended September 30, 2005.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all property assessments.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Assets, Liabilities, and Net Assets or Equity:

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

The District's investment policy is structured to place the highest priority on the safety of principal and liquidity of funds and adopts the Prudent Person Rule, which states that "Investments should be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived from the investment".

The District's policy to maintain funds within the limitations established by Florida Statutes, Chapter 218.415(17) which states: The local government may invest or reinvest any surplus public funds in their control or possession in:

- a) The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01.
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

- c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.
- d) Direct obligations of the U.S. Treasury.

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due.

Investments in fixed income securities are stated at fair value. Fair value is the amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Florida State Board of Administration Local Government Pooled Investment Fund has met the criteria to be considered a “2A-7 like” Investment Fund as defined by GASB Statement No. 31. Therefore, amortized cost may be used for valuation. The fair value of the District’s investment in this pool is determined by the pool’s share price (account balance).

Short-term investments are reported at amortized cost, which approximates fair value. Securities traded on national exchanges are valued at the last reported sales price. Investments that do not have an established market are reported at estimated fair values.

Investments in general are exposed to various risks, such as interest rate, credit, and overall volatility risk. Due to the level of risk associated with certain investments, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

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

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

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

Prepaid Items - Certain payments to vendors and for insurance premiums reflect costs applicable to future accounting periods and are recorded as prepaid items. The costs of governmental fund-type prepaid items are recorded as expenditures using the purchase method. Under this method, prepaid items are recorded as expenditures when purchased. Prepaid items reported in the general fund are therefore equally offset by a fund balance reserve, which indicates the assets are unavailable for appropriation even though they are a component of reported assets.

Property Assessment - Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector.

The special assessment levy (assessment) of the District is established by the Board of Commissioners on or after February 1 of each year and the Pinellas County Property Appraiser incorporates the District's assessment into the total tax levy, which includes the Pinellas County District School Board tax requirements. The District may change the rate of assessment from that assessed in the prior year only if approved by referendum. The 2013 assessment by the District was \$3,609,518.

An assessment roll showing the assessment rate is prepared and completed by the Board of Commissioners on or before September 10 of each year.

The Board of Commissioners, upon the adoption of the resolution fixing the rate of assessment, shall prepare an assessment and collection roll setting forth a description of each lot or parcel of land subject to taxation in the district together with the amount of assessment against the lot or parcel of land and attach thereto a certified copy of the resolution fixing the rate of assessment, and it shall, before September 15 each year, deliver the roll to the County Tax Collector of Pinellas County, for collection of the assessments. All assessments shall be made against the land subject to assessment, and the roll shall set forth the names of the owners of such land.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

All assessments are due and payable on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid assessments become delinquent on April 1 following the year in which they are assessed.

Delinquent assessments bear interest at 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent assessments. After sale, tax certificates bear interest at 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years.

Because of the Pinellas County Tax Collector's Office efficient system for selling tax certificates and remitting the proceeds to the District, any delinquent or uncollected assessments at year end are immaterial. The District's assessment calendar is as follows:

Valuation Date:	January 1
Levy Date:	November 1
Due Date:	March 31, succeeding year
Lien Date:	April 1, succeeding year

Capital assets - Capital assets, which include property, plant and equipment are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred, if any, during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

<u>Assets</u>	<u>Years</u>
Buildings	45 - 55
Buildings and improvements	20 - 30
Equipment	5 - 15

Compensated absences - It is the District's policy to permit employees to accumulate earned but unused vacation, holiday and sick pay benefits.

Accrued Leave - Permanent, full-time employees earn vacation and sick leave beginning with an employee's first pay period and accruing according to the number of regularly scheduled hours an employee works and the length of service.

Accrued Leave (Continued):

Holiday Leave:

In consideration for time worked on and around holidays while other departmental employees are off, the following compensation will be granted one hundred twenty hours paid time off per year for all fifty-six hour per week employees.

Vacation Leave:

- A. Permanent full-time Collective Bargaining employees shall accrue vacation time from their first full calendar month of employment with the District so as to enjoy the following vacation leave upon completion of each level of service:

<u>Service Completed</u>	<u>Fifty-Six Hour Personnel Vacation</u>
1 thru 2 Years of Completed Service	6-24 Hr Shifts
3 thru 4 Years of Completed Service	9-24 Hr Shifts
5 Years of Completed Service	12-24 Hr Shifts
6 thru 7 Years of Completed Service	13-24 Hr Shifts
8 thru 10 Years of Completed Service	14-24 Hr Shifts
11 thru 13 Years of Completed Service	15-24 Hr Shifts
14 or More of Completed Service	16-24 Hr Shifts

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

B. Administrative Personnel

<u>Service Completed</u>	<u>Work Days</u>	
	<u>Sworn Personnel</u>	<u>Civilian Personnel</u>
1 thru 2 years of Completed Service	14.9	10
3 years of Completed service	22.4	15
4 years of Completed service	22.4	20
5 years of Completed service	29.9	21
6 years of Completed service	32.4	22
7 years of Completed service	32.4	23
8 years of Completed service	34.9	24
9 years of Completed service	34.9	25
10 years of Completed service	34.9	26
11 years of Completed service	37.4	27
12 years of Completed service	37.4	29
13 years of Completed service	37.4	29
14 or More years of Completed service	39.8	30

All employees may store up to two (2) years of their paid time off accrual. Hours earned in excess of this maximum must be taken as earned or forfeited.

Sick Leave:

- A. Permanent full-time Collective Bargaining employees shall be entitled to earn and accrue sick leave while on active pay status at the rate of twelve (12) hours for every calendar month to a maximum of one thousand four hundred forty (1,440).
- B. Administrative Personnel shall be entitled to earn and accrue sick leave while on active pay status at the rate of twelve (12) hours for every calendar month to a maximum of one thousand two hundred (1,200).

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

Accrued Holiday and Vacation Leave Pay-Outs:

- A. Upon separation by retirement, resignation, or reduction in force, permanent full-time Collective Bargaining employees shall be paid for earned paid time off (Holiday + Vacation) up to a maximum of 504 hours.
- B. Upon separation, Sworn and Civilian Administrative personnel shall be paid for earned paid time off at the rate of 50% of accrued PTO up to a maximum of 240 hours.

Accrued Sick Leave Pay-Outs:

- A. Upon separation by retirement or any job-related disability retirement, as defined by the Florida Retirement System, permanent full-time Collective Bargaining employees shall be paid for accrued sick leave equal to 20 hours per year of employment to a maximum of 300 hours.
- B. Upon separation by retirement, as defined by the Florida Retirement System, Sworn Administrative personnel shall be paid for accrued sick leave equal to 20 hours per year of employment to a maximum of 420 hours.
- C. Upon separation by retirement, as defined by the Florida Retirement System, Civilian Administrative personnel shall be paid for accrued sick leave equal to 10 hours per year of employment to a maximum of 200 hours.

Vested or accumulated vacation and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation and sick leave that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is reported for these amounts.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Accrued Leave (Continued):

All sick and vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations - Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement.

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

Net position - Net position of the government-wide fund represent the difference between assets and liabilities. Net investment in capital assets, net of related debt consists of capital assets net of accumulated depreciation and the outstanding balance on any borrowing spent for acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Commission or through external restrictions imposed by creditors, grantors or laws or regulations of other government.

Nature and Purpose of Classifications of Fund Equity - In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Amounts that are restricted to specific purposes either by

- a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments or
- b) imposed by law through constitutional provisions or enabling legislation are classified as restricted fund balances.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Amounts that can only be used for specific purposes pursuant to constraints imposed by the District Commission through a resolution are classified as committed fund balances. Amounts that are constrained by the District's intent to be used for specific purposes but are not restricted nor committed are classified as assigned fund balances. Assignments are made by the District management based on Commission direction. Non-spendable fund balances include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Unassigned fund balance represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the governmental funds.

Minimum Fund Balance Policy - It is the desire of the District to maintain adequate General Fund fund balance to maintain liquidity and in anticipation of economic downturns or natural disasters. The Commission has adopted a financial standard to maintain a General Fund minimum fund balance of 60 days of budgeted expenditures.

Fund balance created as a result of actual revenue and expenditure deviations from the budget will be used to achieve and maintain the District's minimum fund balance goals and to meet the next year's budget expenditure requirements.

Deferred Outflows of Resources/Deferred Inflows of Resources -Government Accounting Standards Board (GASB) Concept Statement No. 4, "Elements of Financial Statements", introduced two new elements of the financial statements in addition to Assets, Liabilities and Net Assets (changed to Net Position) which are:

Deferred Outflows of Resources is a consumption of net assets by the government that is applicable to a future reporting period.

Deferred Inflows of Resources is an acquisition of net assets by the government that is applicable to a future reporting period.

Government Accounting Standards Board (GASB) Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" provide financial reporting guidance for Deferred Outflows of Resources and Deferred Inflows of Resources and also identifies Net Position (replacing Net Assets) as the residual of all the elements (Assets, Deferred Outflows of Resources, Liabilities and Deferred Inflow of Resources) presented in a statement of financial position.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

1. Summary of Significant Accounting Policies (Continued)

Government Accounting Standards Board (GASB) Statement No. 65, "Items Previously Reported as Assets and Liabilities" establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflow of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

Net Position:

The government-wide financial statements utilize a net position presentation. Net position is presented in three components - net investment in capital assets, restricted and unrestricted.

Net Investment in Capital Assets - This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings attributable to the acquisition, construction, or improvement of those assets. This component does not include the portion of debt attributable to the unspent proceeds.

Restricted - This component consists of net position that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or law or regulations of other governments) or by law through constitutional provisions or enabling legislation.

Unrestricted - This component consists of net position that does not meet the definition of "net investment in capital assets" and "restricted".

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Comparative data/reclassifications - Comparative total data for the prior year have been presented only for individual general and pension funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Subsequent Events - Management has adopted the provisions set forth in GASB Statement No. 56 and FASB ASU No. 2010-09, *Subsequent Events*, and considered subsequent events through the date of the audit report which is the date that the financial statements were available to be issued.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

2. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds and net positions - governmental activities* as reported in the government-wide statement of net position. The detail of this \$992,220 difference is as follows:

Capital assets, net of accumulated depreciation	\$ 1,566,270
Post-employment health obligation	(108,186)
Compensated absences	<u>(465,864)</u>
Net adjustment to increase <i>fund balance - total Governmental funds</i> to arrive at <i>net position - Governmental activities</i>	<u>\$ 992,220</u>

B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities.

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds and changes in net position of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that “Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expenses.” The details of this \$(15,621) difference are as follows:

Capital outlay	\$ 146,339
Depreciation expense	<u>(161,960)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at changes in net position of governmental activities	<u>\$ (15,621)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

2. Reconciliation of Government-wide and Fund Financial Statements (Continued)

Another element of that reconciliation states that “Some expenses 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.” The details of this \$146,903 difference are as follows:

Post-employment health care obligation	\$ (79,802)
Change in accrued interest expense	2,716
Principal debt payments	273,595
Compensated absences	<u>(49,606)</u>
Net adjustment to reduce <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets of governmental activities</i>	<u>\$ 146,903</u>

3. Stewardship, Compliance and Accountability

Budgetary information - Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. On or before June 1 of each year, the department heads of each of the District's divisions submit requests for appropriation to the Fire Chief so that a budget may be prepared. The budget is prepared by fund, function and activity (divisions), and includes information on the past year, current year estimates and requested appropriations for the next fiscal year.

The proposed budget is presented to the Board of Commissioners (Board) for review by July 1. The Board holds public hearings and may add to, subtract from, or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the Fire Chief and the Division head or the revenue estimates must be changed by an affirmative vote of a majority of the Board.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

3. Stewardship, Compliance and Accountability (Continued)

Expenditures may not legally exceed budgeted appropriations at the division level within the general fund. During the year, there were no supplementary appropriations.

Encumbrances - Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Finance-Related Legal and Contractual Provisions - The District is not in violation of any finance-related legal and contractual provisions.

Establishment/Elimination of Funds - During the fiscal year ended September 30, 2013, the District did not establish or eliminate any funds.

Excess of appropriation over expenditures - The general fund had an operating surplus of \$55,385 for the fiscal year ended September 30, 2013.

4. Deposits

At year-end the carrying amount of the District's deposits was \$1,163,283 and the bank balance maintains a balance of \$1,169,429. The District's operating and payroll account balances are swept into the bank's separate brokerage investment fund accounts each evening. Deposits in these accounts have been reported as investments in these financial statements. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Security for Public Deposits Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State

Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

5. Investments

Interest Rate Risk - The District manages its exposure to fair value losses arising from increasing interest rates through its adopted investment policies. The District limits the effective duration of its investment portfolio through the adoption of nationally recognized risk measure benchmarks.

Credit Risk - Consistent with state law the District's investment guidelines limit its fixed income investments to a quality rating of 'A' or equivalent as rated by one or more recognized bond rating service at the time of purchase. Fixed income investments which are downgraded to 'Baa' or equivalent must be liquidated within a reasonable period of time not to exceed twelve months. Fixed income investments which are downgraded below 'Baa' shall be liquidated immediately.

The State Board of Administration (Board) was established on June 21, 1928, pursuant to Chapter 14486, 1929, Laws of Florida. The Board was subsequently created as a constitutional body corporate on January 1, 1943, under the provisions of Senate Joint Resolution No. 324, 1941; approved by the electorate in November 1942. The Board is composed of the Governor, as Chairman, the State Treasurer, as Treasurer, and the State Comptroller, as Secretary, and provides the following services by law: (1) investment of funds of the Florida Retirement System (FRS); (2) administration of debt service funds; (3) investment of trust and agency funds; and (4) distribution of the "Second Gas Tax."

The Local Government Pooled Investment Fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Pooled Investment Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration.

Since the Florida State Board of Administration (SBA) Local Government Pooled Investment Fund (Fund) typically owns a substantial amount of treasury bills and notes, the Fund has utilized security lending programs to generate supplemental income. This income is used to pay a significant portion of the fees associated with the Fund which otherwise would have to be paid from regular Fund earnings. Any residual is used to build the Fund's reserve on behalf of participants. Both of these goals have been accomplished without impacting the regular earnings in the Fund and with no change in the Fund's investment strategy. The investment in the Florida SBA pool is carried at the pool's share price at September 30, 2013.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

5. Investments (Continued)

During the fiscal year ended September 30, 2007 the fund reported that 6% of the fund was held in securities that were in default, had defaulted or were extended; 8% of the fund was held in securities that were under stress due to credit issues and 86% of the fund was held in high quality money market investments. In an effort to strengthen the fund's liquidity, the fund was divided into to parts:

Fund A contained all money-market appropriate assets and

Fund B consisted of assets in default, impaired or held significant credit risk.

The SBA Board adopted the following operating policy:

1. Shareholders were allowed to redeem (with no fees) from Fund A, the greater of
 - a) up to 37% of their holdings or
 - b) \$4 million
2. Establish a public-private partnership to allow shareholders to borrow cash against their shares.
3. Shareholders that need additional funds and were not able to make use of the credit facility may redeem Fund A shares subject to redemption fees.
4. Fund B shares are not liquid nor are they tradable.

During the fiscal year ended September 30, 2013, the SBA Board announced the fund was on track to return to full liquidity. Further, the SBA Board expects that the SBA fund securities will pay in full at maturity .

Investments

The District's investments are uninsured and unregistered for which the securities are held by the broker or dealer, or by its Bank's trust department or agent but in the District's name. Investments that are not evidenced by securities that exist in physical or book-entry form include investments in open-ended mutual funds and pools managed by other governments.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

5. Investments (Continued)

Investments as of September 30, 2013 are presented as follows:

<u>Investment Type</u>	<u>Overall Credit Rating</u>	<u>Fair Value</u>	<u>Average Effective Duration (Years)</u>
Bank United NA, 0.75% Certificate of Deposit (matures July 25, 2016)	Not Rated	\$ 500,000	N/A
Bank United NA, 0.50% Certificate of Deposit (matures July 27, 2015)	Not Rated	500,000	N/A
Florida Safe	Not Rated	500,250	Open-ended
Florida State Board of Administration Local Government Pooled Investment Fund (SBA) (Fund B)	Not Rated	\$ <u>835</u>	Open-Ended
Total investments		<u>\$ 1,501,085</u>	

Interest Rate Risk - Interest Rate Risk: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment in debt securities. Generally, the longer the time to maturity, the greater the exposure to interest rate risk. Through its investment policies, the pension trust fund manages its exposure to fair value losses arising from increasing interest rates. The fund limits the effective duration of its investment portfolio through the adoption of nationally accepted risk measure benchmarks.

Custodial Credit Risk - Custodial credit risk is defined as the risk that the District may not recover cash and investments held by another party in the event of a financial failure. The District requires all securities to be held by a third party custodian in the name of the District. Securities transactions between a broker-dealer and the custodian involving the purchase or sale of securities must be made on a “delivery vs. payment” basis to ensure that the custodian will have the security or money, as appropriate, in hand at the conclusion of the transaction. The investments in mutual funds and investment fund are considered *unclassified* pursuant to the custodial risk categories of GASB Statement No. 3, because they are not evidenced by securities that exist in physical or book-entry form.

During the fiscal year ended September 30, 2010, the SBA Board announced that the fund was on track to return to full liquidity. Further the SBA Board expects that the SBA fund securities will pay in full at maturity.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

6. Receivables

Receivables at September 30, 2013, consist of the following:

	<u>General Fund</u>
Receivables:	
Intergovernmental	\$ 52,099
Accounts	<u>14,222</u>
Gross receivables	66,321
Less: Allowance for uncollectibles	<u>-</u>
Net total receivables	<u><u>\$ 66,321</u></u>

The receivables in the General Fund are due from county government, state, and federal agencies.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

7. Capital Assets

Capital asset activity for the year ended September 30, 2013 was as follows:

	Balance October 1, 2012	Increases	Decreases	Balance September 30, 2013
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<u>Governmental activities:</u>				
Capital assets, not being depreciated:				
Land	\$ 61,000	\$ -	\$ -	\$ 61,000
Construction in progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total capital assets, not being depreciated	61,000	-	-	61,000
Capital assets, being depreciated:				
Buildings and improvements	349,350	-	-	349,350
Equipment	<u>2,427,615</u>	<u>146,339</u>	<u>(83,227)</u>	<u>2,490,727</u>
Total capital assets, being depreciated	2,776,965	146,339	(83,227)	2,840,077
Less accumulated depreciation for:				
Buildings and improvements	265,349	5,823	-	271,172
Equipment	<u>990,725</u>	<u>156,137</u>	<u>83,227</u>	<u>1,063,635</u>
Total accumulated depreciation	<u>1,256,074</u>	<u>161,960</u>	<u>83,227</u>	<u>1,334,807</u>
Total capital assets, being depreciated, net	<u>1,520,891</u>	<u>(15,621)</u>	<u>-</u>	<u>1,505,270</u>
Governmental activities capital assets, net	<u>\$ 1,581,891</u>	<u>\$ (15,621)</u>	<u>\$ -</u>	<u>\$ 1,566,270</u>

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

Governmental activities:	
Public safety - Fire and EMS Protection	\$ <u>161,960</u>
Total depreciation expenses - governmental activities	\$ <u>161,960</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

8. Long-Term Debt

Capital Lease Obligation

During the fiscal year ended September 30, 2010 the District entered into a capital lease obligation to finance the cost of the pumper fire truck. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments. The asset acquired through the capital lease is as follows:

Pumper fire truck	\$	440,789
Less: accumulated depreciation		<u>12,926</u>
Net equipment subject to capital lease obligations	\$	<u><u>427,863</u></u>

Annual principal and interest payments of \$73,992 are due through June, 2016 with an interest rate of 3.22%.

As of September 30, 2013, the capital lease obligation of \$273,595 was paid off.

Long-term debt is summarized as follows:

Description	Balance October 1, 2012	Additions	Deletions	Balance September 30, 2013
Capital lease obligation	\$ 273,595	\$ -	\$ 273,595	\$ -
Post-employment health care obligation (Note 16)	28,384	79,802	-	108,186
Compensated absences	<u>416,258</u>	<u>531,720</u>	<u>482,114</u>	<u>465,864</u>
	<u>\$ 718,237</u>	<u>\$ 611,522</u>	<u>\$ 755,709</u>	<u>\$ 574,050</u>

9. Accrued Leave

General long-term debt as of September 30, 2013 includes accrued leave costs which will not normally be liquidated with expendable available financial resources early in the 2012 accounting period. Specific due dates for the future payment of these costs cannot be forecast as of the date of these financial statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and distribution of assets; errors and omissions; injuries to employees; and natural disasters. The District purchases all of its insurance coverages from commercial insurance carriers.

The District also carries commercial insurance for all other risks of loss including health and employee accident insurance. Settled claims from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The District has not had any significant coverage reductions under these policies from the prior year.

11. Details of Constraints on Fund Balances of Governmental Funds

The District has recognized that adequate unassigned fund balance is needed to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to ensure stable tax rates.

	General Fund	Capital Projects Fund	Total
	<u> </u>	<u> </u>	<u> </u>
Fund Balances:			
Restricted for:			
Equipment and improvements	\$ -	\$ 278,817	\$ 278,817
Assigned for rolling stock	916,866	-	916,866
Unassigned	<u>1,311,993</u>	<u>-</u>	<u>1,311,993</u>
 Total fund balances	 <u>\$ 2,228,859</u>	 <u>\$ 278,817</u>	 <u>\$ 2,507,676</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

12. Employee Retirement Systems

Florida Retirement System

Plan Description:

All Firefighters and general employees participate in the Florida Retirement System (System), a cost-sharing multiple-employer public employee retirement system (PERS). The District does not provide postemployment benefits for firefighters or general employees other than pension benefits.

The District's current elected officials (Board of Commissioners) are required to participate in this system.

The District contributes to the FRS which is administered by the Florida Department of Management Services, Division of Retirement. FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Chapter 121 of the Florida Statutes, which may be amended by the Florida Legislature, assigns the authority to establish and amend benefit provisions to the Department of Management Services through the Division of Retirement. The FRS issues a publicly available financial report that includes financial statements and required supplementary information for FRS. That report may be obtained by writing to:

State of Florida
Division of Retirement
3639-C North Monroe Street
Tallahassee, Florida 32399-1560

Funding Policy:

The FRS funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due. Level percentage of payroll employer contribution rates, established by state law, are determined using the entry-age actuarial funding method. Future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

12. Employees Retirement Systems (Continued)

Retirement benefits and the District's contribution rates are summarized as follows:

Membership Category	Retirement Benefit	Vesting	District Contributions Rate Actuarially Determined	
			Employer Contribution Rates Through June 30, 2013	Employer Contribution Rates Beginning July 1, 2013
Regular	1.6% times years of service times average compensation (5 highest years) if age 62 or 30 years of service at any age.	After 6 years of creditable service.	5.18% of covered payroll	6.95% of covered payroll
Special Risk	3.0% times years of service times average compensation (5 highest years) if age 55 or 25 years of service at any age.	After 6 years of creditable service.	14.90% of covered payroll	19.06% of covered payroll
Special District Elected Officers	Same as Special Risk	After 6 years of creditable service.	10.23% of covered payroll	33.03% of covered payroll
DROP From FRS	-	-	5.44% of covered payroll	12.84% of covered payroll

Deferred Retirement Option Program

The FRS Deferred Retirement Option Program (DROP) is available to a member when the member first reaches eligibility for normal retirement. DROP allows a member to retire while continuing employment for up to 60 months. During DROP participation, the member's retirement benefits (increased by a cost-of-living adjustment each July) accumulate in the FRS Trust Fund and earn monthly interest equivalent to an annual rate of 6.5%. (The DROP interest rate is reduced to 1.3% for members who enter DROP on or after 7/1/11.) The member must cease employment after a maximum of 60 months, must satisfy the termination requirements for retirement, and is subject to reemployment restrictions thereafter. The member's DROP accumulation may be paid out as a lump sum payment, a rollover, or a combination partial lump sum payment and rollover. Employers must pay contributions at a rate of 5.44% of salary for all DROP participants prior to June 30, 2013. The contribution rate for DROP participants after July 1, 2013 was also 12.84%. FRS also provides disability and survivors' benefits.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

12. Employees Retirement Systems (Continued)

Funding Policy (Continued):

The District's contributions include 1.11% for a post-retirement health insurance subsidy. FRS also provides disability and survivors benefits.

The contribution requirements of employers are established and may be amended by the Division of Retirement. The District's contributions and its required contributions for the seven years ended September 30, 2013 are summarized as follows:

<u>Year Ended</u>	<u>Required Contribution</u>	<u>Percentage Contributed</u>
September 30, 2007	\$ 444,994	100.0%
September 30, 2008	501,633	100.0
September 30, 2009	525,689	100.0
September 30, 2010	476,604	100.0
September 30, 2011	462,658	100.0
September 30, 2012	345,409	100.0
September 30, 2013	334,623	100.0

13. Postemployment Benefits Other Than Pension Benefits

Postemployment health care benefits are made available to the District's terminated employees in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Under COBRA, the District is required to offer an election to deceased or terminated participants, their spouses or dependents to continue coverage in the health plan provided by the District. The cost of coverage which the District may charge the participant may not exceed 102% of the applicable premium.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

14. Contingent Liabilities

The copier lease expired during the fiscal year ended September 30, 2012. The District replaced the copier with one that was donated.

The District did not receive federal grant funds during the fiscal year ended September 30, 2013 which were subject to the program compliance audit by the grantee under the Office of Management and Budget Circular A-133.

15. Deferred Compensation Plan

The District maintains a deferred compensation plan (plan) under the provisions of Section 457 of the Internal Revenue Code, as amended. This law stipulates that all assets and income of the plan must be held in trust for the exclusive benefit of the Plan participants and their beneficiaries. The District's plan is administered by the Capital Guardian Trust, Inc. and provides the plan participants with the option to invest in over four different registered investment funds (mutual funds). The District has adopted a trust for this Plan in accordance with Section 457(b) of the Internal Revenue Code. Although the District will be the Trustee of this plan, the District has no administrative involvement and performs no investing function for the plan and has not therefore, included the plan in this financial report.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

16. Post-Employment Health Care Benefits

Postemployment health care benefits are made available to the District's terminated employees in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). Under COBRA, the District is required to offer an election to deceased or terminated participants, their spouses or dependents, to continue coverage in the health plan provided by the District. The cost of coverage which the District may charge the participant may not exceed 102% of the applicable premium.

GASB Statement No. 45: *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* (OPEB), established new accounting standards for postretirement benefits. The new standard does not require funding of OPEB expense, but any difference between the annual required contribution (ARC) and the amount funded during the year is required to be recorded in the employer's financial statement as an increase (or decrease) in the net OPEB obligation. The effective date for implementation of GASB 45 by the District is October 1, 2009. Accordingly, the District did obtain an actuarial valuation in accordance with GASB 45 standards as of October 1, 2009, and discloses the following:

Plan Description and Funding Policy

Employees who retire from the District (District), and eligible dependents and survivors, are eligible to continue to participate in the District's health insurance programs at the "blended" employee group rate which is determined annually by the District and approved by the District Trustees. Retirees have 31 days to elect to enroll in the District's health insurance plan in which they were participating at the time of retirement unless otherwise stated in a plan document or collective bargaining agreement. As of September 30, 2013, a total of 5 eligible retirees and dependents were participating in the District's health program.

The District provides no funding for any portion of the premiums after retirement. However, the District recognizes that there is an "implicit subsidy" arising as a result of the blended rate premium since retiree health care costs, on average, are higher than active employee healthcare costs. The plan is not accounted for as a trust fund and an irrevocable trust has not been established to fund the plan. The plan does not issue a separate financial report.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

16. Post-Employment Health Care Benefits (Continued)

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefits (OPEB) cost is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The District's annual OPEB cost for its plan for the current year is as follows:

Annual required contributions (ARC)	\$ 128,975
Interest on net OPEB obligation	3,406
Adjustment to ARC	<u>(3,384)</u>
Annual OPEB cost	128,997
Contributions made (pay-as-you-go basis)	<u>(49,195)</u>
Increase in net OPEB obligation	79,802
Net Pension obligation, beginning of year	<u>28,384</u>
Net pension obligation, end of year	<u>\$ 108,186</u>

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events in the future. Amounts determined regarding the status of the plan and the annual required contributions of the District are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information in the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

16. Post-Employment Health Care Benefits (Continued)

Actuarial Methods and Assumptions

Projection of benefits are based on the substantive plan and include the type of benefits in force at the valuation date and the pattern of sharing benefits between the District and the plan members at that point. Actuarial calculations reflect a long term perspective and employ methods and assumptions that are designed to reduce the short term volatility in actuarial accrued liabilities and the actuarial value of assets. Significant methods and assumptions used for this valuation are as follows:

Measurement Date	October 1, 2012
Actuarial Cost Method	Projected Unit Credit
Amortization method	Closed
Discount rate	4.00%
CPI	3.20%
Health Cost Trend Rate	10% (grading down to 5% in 2020)
Payroll Growth Rate	3.0% annually

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2013

17. Recently Issued and Implemented Accounting Pronouncements

Government Accounting Standards Board (GASB) Statement No. 61, “The Financial Reporting Entity: Omnibus” amends GASB No. 14 and GASB No. 34 to modify certain requirements for inclusion of component units in the financial reporting entity, to amend the criteria for reporting component units as if they were part of the primary government (i.e., blending) in certain circumstances and clarifies the reporting of equity interests in legally separate organization. The requirements of GASB No. 61 are effective in fiscal year 2013. The District implemented this statement in fiscal year 2013. Its implementation did not have any effect on the District’s financial statements.

Government Accounting Standards Board (GASB) Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position” amends GASB No. 34. This statement provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position by distinguishing them from assets and liabilities. Net position replaces the terminology net assets in the Statement of Net Position. The requirements of GASB No. 63 are effective in fiscal year 2013. Its implementation has introduced the new elements mentioned above to the Statement of Net Position and Balance Sheet.

INDIVIDUAL GENERAL FUND

FINANCIAL STATEMENTS

AND

SCHEDULES

GOVERNMENTAL FUNDS

GENERAL FUND

The General Fund is the general operating fund of the District. It is used to account for resources traditionally associated with government which are not required legally or by sound financial management to be accounted for in another fund.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

COMPARATIVE BALANCE SHEETS

SEPTEMBER 30, 2013 AND 2012

ASSETS

	<u>2013</u>	<u>2012</u>
Cash	\$ 884,466	\$ 1,989,325
Investments	1,501,085	278,580
Accounts receivable (net of uncollectible accounts):		
Intergovernmental:		
State	960	810
County	51,139	72,426
Accounts	<u>14,222</u>	<u>6,688</u>
TOTAL ASSETS	<u>\$ 2,451,872</u>	<u>\$ 2,347,829</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:		
Accounts payable	\$ 92,618	\$ 63,354
Accrued salaries and benefits payable	<u>130,395</u>	<u>111,001</u>
TOTAL LIABILITIES	223,013	174,355
FUND BALANCE:		
Assigned	916,866	1,454,882
Unassigned	<u>1,311,993</u>	<u>718,592</u>
TOTAL FUND BALANCE	<u>2,228,859</u>	<u>2,173,474</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,451,872</u>	<u>\$ 2,347,829</u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2013 AND 2012

	2013				2012			
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:								
Assessments:								
Fire	\$ 3,598,240	\$ 3,598,240	3,609,518	\$ 11,278	\$ 3,500,000	\$ 3,552,094	\$ 52,094	
EMS contract	613,664	613,664	613,664	-	588,966	588,966	-	
Plan and Inspection fees	63,800	63,800	67,311	3,511	62,003	75,954	13,951	
Investment income	-	-	16,254	16,254	14,290	17,961	3,671	
Miscellaneous	49,064	49,064	74,556	25,492	34,020	109,835	75,815	
Intergovernmental:								
Federal	3,240	3,240	16,505	13,265	-	-	-	
State	-	-	6,341	6,341	-	3,690	3,690	
TOTAL REVENUES	4,328,008	4,328,008	4,404,149	76,141	4,199,279	4,348,500	149,221	
EXPENDITURES:								
Current:								
Public Safety-Fire and EMS:								
Salaries	2,331,502	2,331,502	2,314,255	17,247	2,322,000	2,319,199	2,801	
Overtime	93,513	93,513	59,295	34,218	38,000	57,596	(19,596)	
Social security	168,195	168,195	165,850	2,345	165,273	165,761	(488)	
Retirement	416,127	416,127	334,623	81,504	346,259	345,409	850	
Group health insurance	534,560	484,560	482,022	52,538	552,272	521,129	31,143	
Unemployment compensation	6,050	6,050	-	6,050	-	-	-	
Workers' compensation	129,480	124,480	109,328	20,152	96,030	80,826	15,204	
Legal fees	13,500	13,500	13,822	(322)	30,000	10,149	19,851	
Physicals	15,446	15,446	14,880	566	17,814	16,377	1,437	
Tax collection	190,771	190,771	190,118	653	186,572	186,689	(117)	
Professional fees	12,650	12,650	17,591	(4,941)	12,600	12,091	509	
Travel	4,738	4,738	4,457	281	8,500	2,936	5,564	
Telephone	6,451	6,451	6,477	(26)	11,000	7,915	3,085	
Postage	900	900	910	(10)	1,240	1,140	100	
Electricity	18,740	18,740	15,009	3,731	17,000	17,860	(860)	
Water	2,938	2,938	3,350	(412)	2,800	2,676	124	
Small equipment	3,997	3,997	2,518	1,479	14,100	14,053	47	
Information technology	13,711	13,711	15,013	(1,302)	10,200	10,737	(537)	
Insurance	58,562	58,562	58,559	3	57,135	55,530	1,605	
Apparatus and equipment repairs	53,478	81,968	87,366	(33,888)	50,000	42,216	7,784	
Repair and maintenance	17,671	# 17,671	14,338	3,333	25,610	33,403	(7,793)	
Public relations	5,975	5,975	5,486	489	1,350	888	462	
Office supplies	3,122	3,122	3,883	(761)	8,000	6,989	1,011	
Operations	16,954	16,943	16,002	952	9,435	12,551	(3,116)	
Small tools and supplies	989	989	204	785	9,500	8,813	687	
Petroleum products	37,271	37,271	34,836	2,435	35,500	34,703	797	
Custodial	3,396	3,396	2,846	550	4,500	3,914	586	
Uniforms and protective gear	8,497	8,497	7,702	795	24,560	15,418	9,142	
Education	8,312	8,312	8,384	(72)	11,155	9,833	1,322	
Emergency Operation Center	481	481	154	327	1,000	1,056	(56)	
Investment fee	4,522	4,522	4,522	-	2,000	1,691	309	
Recertifications	162	162	90	72	1,345	642	703	
Dues and publications	5,169	5,169	4,969	200	4,800	5,932	(1,132)	
Capital outlay	4,000	30,521	27,521	(23,521)	5,650	19,969	(14,319)	
Principal - equipment loan	65,182	273,595	273,596	(208,414)	63,149	63,149	-	
Interest - equipment loan	8,810	10,894	10,894	(2,084)	10,843	10,843	-	
Expense reimbursements	47,730	47,730	66,194	(18,464)	34,020	66,130	(32,110)	
SUB-TOTAL PUBLIC SAFETY-								
Fire and EMS expenditures	4,313,552	4,524,049	4,377,064	146,985	4,191,212	4,166,213	24,999	

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL FUND

COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2013 AND 2012
(CONTINUED)

	2013			VARIANCE FAVORABLE (UNFAVORABLE)	2012		VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		ORIGINAL AND FINAL BUDGET	ACTUAL	
TOTAL EXPENDITURES	<u>4,313,552</u>	<u>4,524,049</u>	<u>4,377,064</u>	<u>146,985</u>	<u>4,191,212</u>	<u>4,166,213</u>	<u>24,999</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	14,456	(196,041)	27,085	223,126	8,066	182,287	174,220
OTHER FINANCING SOURCES:							
Proceeds from sale of assets	<u>-</u>	<u>-</u>	<u>28,300</u>	<u>28,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources	<u>-</u>	<u>-</u>	<u>28,300</u>	<u>28,300</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	14,456	(196,041)	55,385	251,426	8,066	182,287	174,221
FUND BALANCE, OCTOBER 1	<u>2,173,474</u>	<u>2,173,474</u>	<u>2,173,474</u>	<u>-</u>	<u>1,991,187</u>	<u>1,991,187</u>	<u>-</u>
FUND BALANCE, SEPTEMBER 30	<u>\$ 2,187,930</u>	<u>\$ 1,977,433</u>	<u>2,228,859</u>	<u>\$ 251,426</u>	<u>\$ 1,999,253</u>	<u>\$ 2,173,474</u>	<u>\$ 174,221</u>

See Notes to Financial Statements.

CAPITAL ASSETS
USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION OF THE GOVERNMENTAL FUND

COMPARATIVE SCHEDULES BY SOURCE

SEPTEMBER 30, 2013 AND 2012

	<u>2013</u>	<u>2012</u>
GENERAL FIXED ASSETS:		
Land	\$ 61,000	\$ 61,000
Buildings	349,350	349,350
Equipment	<u>2,490,727</u>	<u>2,427,615</u>
Total general fixed assets	<u>\$ 2,901,077</u>	<u>\$ 2,837,965</u>
Investment in general fixed assets from:		
General Fund	<u>\$ 2,901,077</u>	<u>\$ 2,837,965</u>
Total investments in general fixed assets	<u>\$ 2,901,077</u>	<u>\$ 2,837,965</u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION
OF THE GOVERNMENTAL FUND
COMPARATIVE SCHEDULES BY FUNCTION AND ACTIVITY

SEPTEMBER 30, 2013 AND 2012

	2013			
	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Equipment</u>
Public safety:				
EMS and Fire Protection	\$ <u>2,901,077</u>	\$ <u>61,000</u>	\$ <u>349,350</u>	\$ <u>2,490,727</u>
Total general fixed assets	\$ <u><u>2,901,077</u></u>	\$ <u><u>61,000</u></u>	\$ <u><u>349,350</u></u>	\$ <u><u>2,490,727</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION
OF THE GOVERNMENTAL FUND
COMPARATIVE SCHEDULES BY FUNCTION AND ACTIVITY (CONTINUED)

SEPTEMBER 30, 2013 AND 2012

	2012			
	<u>Total</u>	<u>Land</u>	<u>Building</u>	<u>Equipment</u>
Public safety:				
EMS and Fire Protection	\$ <u>2,837,965</u>	\$ <u>61,000</u>	\$ <u>349,350</u>	\$ <u>2,427,615</u>
Total general fixed assets	\$ <u><u>2,837,965</u></u>	\$ <u><u>61,000</u></u>	\$ <u><u>349,350</u></u>	\$ <u><u>2,427,615</u></u>

See Notes to Financial Statements.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS USED IN THE OPERATION
OF GOVERNMENTAL FUNDS

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS-
BY FUNCTION AND ACTIVITY

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2013

	General Fixed Assets October 1, 2012	Additions	Deductions	General Fixed Assets September 30, 2013
Public safety:				
EMS and Fire Protection	\$ 2,837,965	\$ 146,339	\$ 83,227	\$ 2,901,077
Total public safety	<u>\$ 2,837,965</u>	<u>\$ 146,339</u>	<u>\$ 83,227</u>	<u>\$ 2,901,077</u>

See Notes to Financial Statements.

STATISTICAL SECTION

This part of the Pinellas Suncoast Fire & Rescue District'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.

Content	Page
Financial Trends	59
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	66
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	
Debt Capacity	71
<i>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 debt in the future.</i>	
Operating Information	73
<i>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.</i>	

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

FINANCIAL TRENDS

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental activities:										
Invested in capital assets	\$ 1,566,270	\$ 1,308,296	\$ 1,266,962	\$ 1,420,348	\$ 1,436,053	\$ 1,536,592	\$ 1,585,793	\$ 1,700,194	\$ 1,619,099	\$ 1,704,318
Restricted for capital projects	278,817	302,547	277,663	260,092	707,293	734,722	787,737	514,327	203,122	-
Unrestricted	<u>1,654,809</u>	<u>1,726,116</u>	<u>1,486,632</u>	<u>1,382,940</u>	<u>816,203</u>	<u>851,810</u>	<u>724,246</u>	<u>792,236</u>	<u>760,917</u>	<u>592,091</u>
Total primary government net position	<u>\$ 3,499,896</u>	<u>\$ 3,336,959</u>	<u>\$ 3,031,257</u>	<u>\$ 3,063,380</u>	<u>\$ 2,959,549</u>	<u>\$ 3,123,124</u>	<u>\$ 3,097,776</u>	<u>\$ 3,006,757</u>	<u>\$ 2,583,138</u>	<u>\$ 2,296,409</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
EXPENSES										
Governmental Activities:										
Public safety Fire										
and EMS Protections:										
Fire and EMS protection	\$ <u>4,354,676</u>	\$ <u>4,069,373</u>	\$ <u>4,399,152</u>	\$ <u>4,445,672</u>	\$ <u>4,626,791</u>	\$ <u>4,421,725</u>	\$ <u>3,940,007</u>	\$ <u>3,724,997</u>	\$ <u>3,761,339</u>	\$ <u>3,677,597</u>
Total governmental activities expenses	\$ <u><u>4,354,676</u></u>	\$ <u><u>4,069,373</u></u>	\$ <u><u>4,399,152</u></u>	\$ <u><u>4,445,672</u></u>	\$ <u><u>4,626,791</u></u>	\$ <u><u>4,421,725</u></u>	\$ <u><u>3,940,007</u></u>	\$ <u><u>3,724,997</u></u>	\$ <u><u>3,761,339</u></u>	\$ <u><u>3,677,597</u></u>
PROGRAM REVENUES										
Governmental activities:										
Charges for services	\$ 67,311	\$ 75,954	\$ 92,353	\$ 47,191	\$ 52,422	\$ 44,570	\$ 253,479	\$ 207,404	\$ 232,176	\$ 137,727
Operating grants and contributions	-	-	-	-	-	536	595	785	116,565	55,748
Capital contributions	-	-	-	-	-	-	-	10,550	-	-
Total governmental activities program revenues	\$ <u><u>67,311</u></u>	\$ <u><u>75,954</u></u>	\$ <u><u>92,353</u></u>	\$ <u><u>47,191</u></u>	\$ <u><u>52,422</u></u>	\$ <u><u>45,106</u></u>	\$ <u><u>254,074</u></u>	\$ <u><u>218,739</u></u>	\$ <u><u>348,741</u></u>	\$ <u><u>193,475</u></u>
NET (EXPENSE) REVENUE										
Governmental activities	\$ <u><u>(4,287,365)</u></u>	\$ <u><u>(3,993,419)</u></u>	\$ <u><u>(4,306,799)</u></u>	\$ <u><u>(4,398,481)</u></u>	\$ <u><u>(4,574,369)</u></u>	\$ <u><u>(4,376,619)</u></u>	\$ <u><u>(3,685,933)</u></u>	\$ <u><u>(3,506,168)</u></u>	\$ <u><u>(3,412,598)</u></u>	\$ <u><u>(3,484,122)</u></u>
Total primary government net expense	\$ <u><u>(4,287,365)</u></u>	\$ <u><u>(3,993,419)</u></u>	\$ <u><u>(4,306,799)</u></u>	\$ <u><u>(4,398,481)</u></u>	\$ <u><u>(4,574,369)</u></u>	\$ <u><u>(4,376,619)</u></u>	\$ <u><u>(3,685,933)</u></u>	\$ <u><u>(3,506,168)</u></u>	\$ <u><u>(3,412,598)</u></u>	\$ <u><u>(3,484,122)</u></u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
 (accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Activities:										
Taxes:										
Assessments	\$ 3,609,518	\$ 3,552,094	\$ 3,595,772	\$ 3,449,661	\$ 2,648,035	\$ 2,665,955	\$ 2,636,310	\$ 2,633,960	\$ 2,634,866	\$ 1,637,738
Impact fees	80,029	18,240	8,608	12,276	-	-	72,414	256,925	83,493	-
Intergovernmental revenues	636,510	592,656	549,606	940,828	1,714,363	1,661,217	1,005,451	962,586	926,208	874,109
Investment earnings	21,389	26,296	26,043	25,095	10,263	41,303	53,653	50,003	25,016	21,420
Miscellaneous	102,856	109,835	94,647	74,452	38,133	33,492	9,124	26,313	29,744	23,722
Gain on sale of capital assets	-	-	-	-	-	-	-	-	-	-
Transfer from Public Safety Pension Fund	-	-	-	-	-	-	-	-	-	12,527
Total governmental activities	<u>4,450,302</u>	<u>4,299,121</u>	<u>4,274,676</u>	<u>4,502,312</u>	<u>4,410,794</u>	<u>4,401,967</u>	<u>3,776,952</u>	<u>3,929,787</u>	<u>3,699,327</u>	<u>2,569,516</u>
Total primary government	<u>\$ 4,450,302</u>	<u>\$ 4,299,121</u>	<u>\$ 4,274,676</u>	<u>\$ 4,502,312</u>	<u>\$ 4,410,794</u>	<u>\$ 4,401,967</u>	<u>\$ 3,776,952</u>	<u>\$ 3,929,787</u>	<u>\$ 3,699,327</u>	<u>\$ 2,569,516</u>
CHANGE IN NET POSITION										
Governmental activities	<u>\$ 162,937</u>	<u>\$ 305,702</u>	<u>\$ (32,123)</u>	<u>\$ 103,831</u>	<u>\$ (163,575)</u>	<u>\$ 25,348</u>	<u>\$ 91,019</u>	<u>\$ 423,619</u>	<u>\$ 286,729</u>	<u>\$ (914,606)</u>
Total primary government	<u>\$ 162,937</u>	<u>\$ 305,702</u>	<u>\$ (32,123)</u>	<u>\$ 103,831</u>	<u>\$ (163,575)</u>	<u>\$ 25,348</u>	<u>\$ 91,019</u>	<u>\$ 423,619</u>	<u>\$ 286,729</u>	<u>\$ (914,606)</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Governmental Funds:										
Restricted	\$ 278,817	\$ 302,547	\$ 277,663	\$ 260,092	\$ 315,190	\$ 334,196	\$ 382,199	\$ 389,317	\$ 206,563	\$ 3,600
Assigned	916,866	1,454,882	1,293,175	713,841	1,072,145	1,141,738	935,267	937,207	1,005,547	884,985
Unassigned	<u>1,311,993</u>	<u>718,592</u>	<u>698,012</u>	<u>1,061,771</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
Total governmental funds	<u>\$ 2,507,676</u>	<u>\$ 2,476,021</u>	<u>\$ 2,268,850</u>	<u>\$ 2,035,704</u>	<u>\$ 1,837,335</u>	<u>\$ 1,925,934</u>	<u>\$ 1,767,466</u>	<u>\$ 1,526,524</u>	<u>\$ 1,212,110</u>	<u>\$ 888,585</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
REVENUES										
Assessments	\$ 3,609,518	\$ 3,552,094	\$ 3,595,772	\$ 3,449,661	\$ 2,648,035	\$ 2,665,955	\$ 2,636,310	\$ 2,633,960	\$ 2,634,866	\$ 1,637,738
Intergovernmental	636,510	592,656	549,606	938,628	1,708,603	1,661,217	1,005,451	962,586	1,042,773	934,177
Impact fees	80,029	18,240	8,608	12,276	-	-	72,414	256,925	83,493	-
Charges for services	67,311	75,954	92,353	47,191	52,422	44,570	253,479	207,494	232,176	137,727
Interest earnings	21,389	26,296	26,043	25,095	10,263	41,303	53,653	50,003	25,016	21,420
Miscellaneous	<u>74,556</u>	<u>109,835</u>	<u>94,647</u>	<u>76,652</u>	<u>43,893</u>	<u>34,028</u>	<u>9,719</u>	<u>37,648</u>	<u>29,744</u>	<u>19,402</u>
Total revenues	4,489,313	4,375,075	4,367,029	4,549,503	4,463,216	4,447,073	4,031,026	4,148,616	4,048,068	2,750,464
EXPENDITURES										
Public safety:										
Fire and EMS protection	<u>4,485,958</u>	<u>4,167,904</u>	<u>4,179,844</u>	<u>4,791,923</u>	<u>4,551,815</u>	<u>4,289,155</u>	<u>3,791,584</u>	<u>3,835,002</u>	<u>3,724,543</u>	<u>3,491,988</u>
Total expenditures	<u>4,485,958</u>	<u>4,167,904</u>	<u>4,179,844</u>	<u>4,791,923</u>	<u>4,551,815</u>	<u>4,289,155</u>	<u>3,791,584</u>	<u>3,835,002</u>	<u>3,724,543</u>	<u>3,491,988</u>
Excess of revenues over (under) expenditures	3,355	207,171	187,185	(242,420)	(88,599)	157,918	239,442	313,614	323,525	(741,524)
OTHER FINANCING SOURCES (USES)										
Sale of equipment	28,300	-	21,500	-	-	550	1,500	800	-	-
Transfers in	-	-	-	-	-	-	-	-	-	12,527
Proceeds from capital lease obligation	<u>-</u>	<u>-</u>	<u>24,461</u>	<u>440,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,527</u>
Total other financing sources (uses)	<u>28,300</u>	<u>-</u>	<u>45,961</u>	<u>440,789</u>	<u>-</u>	<u>550</u>	<u>1,500</u>	<u>800</u>	<u>-</u>	<u>12,527</u>
Net change in fund balances	<u>\$ 31,655</u>	<u>\$ 207,171</u>	<u>\$ 233,146</u>	<u>\$ 198,369</u>	<u>\$ (88,599)</u>	<u>\$ 158,468</u>	<u>\$ 240,942</u>	<u>\$ 314,414</u>	<u>\$ 323,525</u>	<u>\$ (728,997)</u>
Debt service as a percentage of noncapital expenditures	<u>6.49%</u>	<u>1.54%</u>	<u>1.81%</u>	<u>1.35%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>	<u>-%</u>

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTIONS

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Public Safety Fire and EMS</u>	<u>Capital Outlay Fire and EMS</u>	<u>Total</u>
2004	\$ 3,455,120	\$ 36,868	\$ 3,491,988
2005	3,697,222	27,321	3,724,543
2006	3,621,816	213,197	3,835,013
2007	3,722,488	69,096	3,791,584
2008	4,202,889	86,266	4,289,155
2009	4,494,904	56,911	4,551,815
2010	4,287,843	504,080	4,791,923
2011	4,155,602	24,242	4,179,844
2012	4,147,935	19,969	4,167,904
2013	4,458,437	27,521	4,485,958

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

GENERAL GOVERNMENTAL REVENUES BY SOURCE

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Assessments</u>	<u>Intergovernmental</u>	<u>Impact Fees⁽¹⁾</u>	<u>Charge for Services</u>	<u>Investment Income</u>	<u>Miscellaneous</u>	<u>Total</u>
2004	\$ 1,637,738	\$ 934,177	\$ -	\$ 137,727	\$ 21,420	\$ 19,402	\$ 2,750,464
2005	2,634,866	1,042,773	83,493	232,176	25,016	29,744	4,048,068
2006	2,633,960	962,586	256,925	207,494	50,003	37,648	4,148,616
2007	2,636,310	1,005,451	72,414	253,479	53,653	9,719	4,031,026
2008	2,665,955	1,661,217	-	44,570	41,303	34,028	4,447,073
2009	2,648,035	1,708,603	-	52,422	10,263	43,893	4,463,216
2010	3,449,661	938,628	12,276	47,191	25,095	76,652	4,549,503
2011	3,595,772	549,606	8,608	92,353	26,043	94,647	4,367,029
2012	3,552,094	592,656	18,240	75,954	26,296	109,835	4,375,075
2013	3,609,518	636,510	80,029	67,311	21,389	74,556	4,489,313

⁽¹⁾ The District adopted an Impact Fee Resolution during the fiscal year ended September 30, 2005.

REVENUE CAPACITY

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT
ASSESSMENT FEE SCHEDULE
September 30, 2013

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
SINGLE RESIDENCES	\$ 120.00	\$ 190.00	\$ 190.00	\$ 190.00	\$ 190.00	\$ 190.00	\$ 260.00	\$ 260.00	\$ 260.00	\$ 260.00
APARTMENTS AND CONDOMINIUMS	120.00	190.00	190.00	190.00	190.00	190.00	260.00	260.00	260.00	260.00
MOTELS:										
Manager's or Owner's Quarters	120.00	190.00	190.00	190.00	190.00	190.00	260.00	260.00	260.00	260.00
Rental Units (Efficiencies or otherwise)	60.00	95.00	95.00	95.00	95.00	95.00	165.00	165.00	165.00	165.00
VACANT LOTS: Each Lot	20.00	25.00	25.00	25.00	25.00	25.00	95.00	95.00	95.00	95.00
UNPLATTED LAND: Each Acre	-	54.00	54.00	54.00	54.00	54.00	124.00	124.00	124.00	124.00
COMMERCIAL UNITS: Up to 500 Sq. Ft.	180.00	216.00	216.00	216.00	216.00	216.00	286.00	286.00	286.00	286.00
Per sq. foot over the first 500 Sq. Ft.	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
MOBILE HOME LOTS:										
Occupied by Manager or Owner	120.00	190.00	190.00	190.00	190.00	190.00	260.00	260.00	260.00	260.00
Rental Space	60.00	95.00	95.00	95.00	95.00	95.00	165.00	165.00	165.00	165.00
RECREATIONAL VEHICLE LOTS:										
Occupied by Manager or Owner	120.00	190.00	190.00	190.00	190.00	190.00	260.00	260.00	260.00	260.00
Rental Space	60.00	95.00	95.00	95.00	95.00	95.00	165.00	165.00	165.00	165.00
FUEL PUMPS (Any number)	370.00	555.00	555.00	555.00	555.00	555.00	625.00	625.00	625.00	625.00
ABOVE GROUND OIL STORAGE TANKS:										
5000 gal. or less	280.00	420.00	420.00	420.00	420.00	420.00	490.00	490.00	490.00	490.00
Each 1000 gal. or fraction thereof over 5000	11.00	15.00	15.00	15.00	15.00	15.00	85.00	85.00	85.00	85.00
HOTELS:	210.00	315.00	315.00	315.00	315.00	315.00	385.00	385.00	385.00	385.00
(a) With Kitchen..... additional	210.00	315.00	315.00	315.00	315.00	315.00	385.00	385.00	385.00	385.00
(b) With Dining Room..... additional	210.00	315.00	315.00	315.00	315.00	315.00	385.00	385.00	385.00	385.00
(c) With Bar..... additional	210.00	315.00	315.00	315.00	315.00	315.00	385.00	385.00	385.00	385.00
(d) Each Room..... additional	30.00	45.00	45.00	45.00	45.00	45.00	115.00	115.00	115.00	115.00

Voters approved an increased tax assessment by referendum on September 23, 2003. The increased tax assessment was not collected until November 2004. (Fiscal year ended September 30, 2005)

Voters approved an increased tax assessment by referendum on March 11, 2008. The increase will not be collected until November 2009 (Fiscal year ending September 30, 2010)

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Taxable Assessed Valuation</u>	<u>EMS Millage Rate</u>	<u>Levy</u>	<u>Less Collection Fees Discounts and County Reallocation</u>	<u>EMS Contract Collections*</u>
2004	2,034,940,300	0.66	1,343,061	468,952	874,109
2005	2,300,368,100	0.66	1,518,243	595,937	922,306
2006	2,776,779,800	0.66	1,832,675	874,987	957,688
2007	4,049,176,510	0.63	2,550,981	1,549,970	1,001,011
2008	3,555,619,328	0.5832	2,073,637	430,132	1,643,505
2009	3,559,423,786	0.5832	2,075,856	367,253	1,708,603
2010	*	0.5832			938,628
2011	*	0.8506			545,986
2012	*	0.9158			588,966
2013	*	0.9158			613,664

*Includes revenue for the Redington EMS District.

*This information was not available from Pinellas County

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

ASSESSSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

<u>Fiscal Year Ended September 30</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Other Property</u>	<u>Less: Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>
2004	\$ 2,111,360,500	\$ 87,652,500	\$ 57,920,700	\$ 221,993,400	2,034,940,300
2005	2,375,865,100	89,409,100	68,607,300	233,513,400	2,300,368,100
2006	2,836,073,300	105,702,900	82,561,200	247,377,600	2,776,959,800
2007	4,135,371,850	154,128,878	120,385,203	360,709,421	4,049,176,510
2008	3,438,749,815	116,854,435	174,000	158,922	3,555,619,328
2009	3,388,474,136	108,555,200	62,604,200	209,750	3,559,423,786
2010	*	*	*	*	2,700,559,002
2011	*	*	*	*	2,439,994,339
2012	*	*	*	*	2,339,423,772
2013	*	*	*	*	2,302,317,537

* This information was not available from Pinellas County for the fiscal years ended September 30, 2010 and 2011.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

TAXABLE ASSESSED PROPERTY BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year	Single Family	Mobile Homes	Condominiums and Cooperatives	Multi-Family	Retirement Homes	Commercial	Industrial	Institutional and Agricultural	Miscellaneous	Total
2004 \$	1,017,143,600	55,300	785,490,300	141,735,200	298,900	84,423,700	3,078,800	1,608,700	1,105,800	2,034,940,300
2005	1,149,957,600	38,100	895,492,300	162,297,400	156,100	86,224,100	3,085,000	1,773,000	1,344,500	2,300,368,100
2006	1,342,450,900	4,752,900	1,139,611,900	180,921,000	179,000	102,187,900	3,390,000	1,976,200	1,490,000	2,776,959,800
2007	1,957,471,855	6,930,360	1,661,705,631	263,806,867	261,006	149,003,541	4,943,070	2,881,562	2,172,618	4,049,176,510
2008	1,794,299,899	7,090,515	1,483,787,063	151,957,870	221,855	112,086,365	4,768,070	1,167,100	240,591	3,555,619,328
2009	*	*	*	*	*	*	*	*	*	3,559,423,786
2010	*	*	*	*	*	*	*	*	*	2,700,559,002
2011	*	*	*	*	*	*	*	*	*	2,439,994,339
2012	*	*	*	*	*	*	*	*	*	2,339,423,772
2013	*	*	*	*	*	*	*	*	*	2,302,317,537

* This breakdown has not been available from Pinellas County for any of the Special Districts subsequent to the fiscal year ended 9/30/08.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

TAXABLE VALUATIONS, ASSESSMENTS
LEVIED AND COLLECTED
LAST TEN FISCAL YEARS

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Taxable valuation	\$ <u>2,034,940,300</u>	\$ <u>2,300,368,100</u>	\$ <u>2,776,959,800</u>	\$ <u>4,049,176,510</u>	\$ <u>3,555,619,328</u>	\$ <u>3,559,423,786</u>	\$ <u>2,700,559,002</u>	\$ <u>2,439,994,339</u>	\$ <u>2,339,423,772</u>	\$ <u>2,302,317,537</u>
Total assessments levied	\$ 1,680,576	\$ 2,695,678	\$ 2,693,266	\$ 2,693,540	\$ 2,757,406	\$ 2,728,482	\$ 3,555,669	\$ 3,577,890	\$ 3,539,544	\$ 3,596,701
Less: Adjustments and discounts	<u>42,838</u>	<u>60,812</u>	<u>59,306</u>	<u>57,230</u>	<u>91,451</u>	<u>80,447</u>	<u>125,830</u>	<u>130,722</u>	<u>124,546</u>	<u>125,539</u>
Net assessments levied	\$ <u>1,637,738</u>	\$ <u>2,634,866</u>	\$ <u>2,633,960</u>	\$ <u>2,636,310</u>	\$ <u>2,665,955</u>	\$ <u>2,648,035</u>	\$ <u>3,429,840</u>	\$ <u>3,447,168</u>	\$ <u>3,414,998</u>	\$ <u>3,471,162</u>
Net assessments collected	\$ <u>1,637,738</u>	\$ <u>2,634,866</u>	\$ <u>2,633,960</u>	\$ <u>2,636,310</u>	\$ <u>2,655,955</u>	\$ <u>2,648,035</u>	\$ <u>3,372,580</u>	\$ <u>3,382,129</u>	\$ <u>3,339,378</u>	\$ <u>3,406,963</u>

DEBT CAPACITY

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

COMPUTATION OF OVERLAPPING DEBT
GENERAL OBLIGATION BONDS AND OTHER DEBT⁽²⁾
SEPTEMBER 30, 2013

		<u>Net General Obligation Bonded Debt Outstanding</u>		<u>Net General Nonself- Supporting Revenue Debt</u>		<u>Total</u>		<u>Percentage Applicable to District</u>		<u>Amount Applicable to District</u>
Overlapping debt:										
Pinellas County School Board (1)	\$	0	\$	0	\$	0		*	\$	*
Total Overlapping debt										
RATIO:										
Overall debt to 2013 taxable value								<u> *</u>		%
Overall debt per capita								\$ <u> *</u>		

⁽¹⁾ The District's share is calculated based on the ratio of the 2010 County Taxable Value of \$56,132,296,777 to the District's Taxable Value of \$_____*

⁽²⁾ The District has no direct general obligation bonded debt.

* The information for this schedule was not available from Pinellas County for FYE 09/30/13.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

LEGAL DEBT MARGIN INFORMATION
LAST EIGHT FISCAL YEARS

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Legal Debt Margin Calculation: ⁽¹⁾								
Total budgeted revenues of the District for the fiscal year ended September 30	\$ 4,391,201	\$ 4,260,759	\$ 4,101,236	\$ 4,560,690	\$ 4,503,050	\$ 4,449,949	\$ 3,960,462	\$ 3,914,778
Limitation on debt service	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>	<u>50%</u>
Maximum annual debt service allowable	\$ <u>2,195,600</u>	\$ <u>2,130,380</u>	\$ <u>2,050,618</u>	\$ <u>2,280,345</u>	\$ <u>2,251,525</u>	\$ <u>2,224,975</u>	\$ <u>1,980,231</u>	\$ <u>1,957,389</u>
Total current year's principal and interest payments on the District's outstanding debt: Capital lease note	\$ <u>284,489</u>	\$ <u>73,992</u>	\$ <u>73,992</u>	\$ <u>75,931</u>	\$ -	\$ -	\$ -	\$ -
Total principal and interest payments, fiscal year ended September 30	\$ <u>284,489</u>	\$ <u>73,992</u>	\$ <u>73,992</u>	\$ <u>75,931</u>	\$ -	\$ -	\$ -	\$ -

⁽¹⁾ In accordance with c.189 Florida Statutes.

OPERATING INFORMATION

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

FULL-TIME EQUIVALENT
DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Full-Time Equivalent Employees
as of September 30,

<u>FUNCTION</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Public Safety:										
Fire:										
- Firefighters	13	13	12	14	12	16	14	17	17	18
- EMS Professionals	17	17	15	15	15	18	19	18	21	21
- Administrative Staff	6	6	8	8	8	8	7	7	7	7
- Mechanic and maintenance	2	2	2	2	2	2	2	2	2	2

Note: 2010 includes two part time firefighter positions that were terminated as of 10/1/10.

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

OPERATING INDICATORS BY FUNCTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,

FUNCTION

Public Safety:

Fire:

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Number of Fire calls	523	584	377	937	806	627	650	1,072	1,111	1,340
Number of EMS calls	2,217	2,323	2,214	3,209	2,346	2,526	2,531	3,937	3,956	3,926
District population	17,153	17,153	17,153	17,153	12,438	12,339	12,315	12,278	12,241	12,056

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

CAPITAL ASSETS STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year Ended September 30,

FUNCTION

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
Public Safety:										
Fire/EMS:										
Fire Stations	2	2	2	2	3	3	3	3	3	3
Fire Engines	4	4	4	4	4	4	4	4	4	4

PINELLAS SUNCOAST FIRE & RESCUE DISTRICT

SCHEDULE OF INSURANCE IN FORCE

September 30, 2013

Policy Number	Type of Coverage	Effective Date	Company	Limit of Liability	Premium
	Property - Station 27			\$ 2,600,000	
	Property - Station 28			1,560,000	
	Management Liability			2,000,000	
	General Liability		American	2,000,000	
VFIS-TR-2065196-02/000		10/01/12	Alternative Insurance Corporation	\$ 100,000	22,889
	Employee Dishonesty				
	Portable Equipment			Replacement Cost	
VFIS-CU-5058223-02/000	Umbrella	10/01/12	American Alternative Insurance Corporation	2,000,000	\$ 4,406
VFIS-CM-1059191-01/002	Auto	09/26/12		1,000,000	\$ 19,421 *
					* Net of \$22,248.48 less \$2,28.76 refunded for sold vehicles
WC FL1 0524001 12-08	Worker's Compensation	10/01/12	PGIT	1,000,000	\$ 109,328
Public Official Bonds:					
RSB4023203	Mortellite, James G.	11/19/06 to 11/19/14	RLI Insurance Co.	5,000	\$ -
RSB4023202	Hafner	11/19/06 to 11/19/14		5,000	-
RSB0212944	Madura	11/17/08 to 11/20/12			Retired - Cancelled 03/20/12
21BSBGJ0052	Martin, Laura T.	11/20/16 to 01/22/10	The Hartford	5,000	344
LSM0020019	Schear, Lawrence G.	01/22/10 to 01/22/14	RLI Insurance Co.	5,000	-
21BSBGA2988	Hartzel	05/17/11 to 11/06/12			Retired - Cancelled 11/01/12
21BSBGH9890	Terry, James C.	07/17/12 to 07/17/16	The Hartford	5,000	-
VFP-4410-6007D-1	Accidental Death - Volunteers	10/01/12		50,000	489
CFP-5410-0288D-0	Accidental Death - Paid	10/01/12	National Union Fire Insurance Company of Pittsburgh	50,000	7,486
SRG 0009135612	Blanket Accident Insurance	10/01/12		50,000	697
TOTAL PREMIUMS				\$	<u>145,639</u>

OTHER REPORTS

REPORT ON
INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH
GOVERNMENTAL AUDITING STANDARDS

AND

MANAGEMENT LETTER

AND

MANAGEMENT MEMORANDUM
ON REVIEW OF INTERNAL CONTROL STRUCTURE

September 30, 2013

**REPORT ON
INTERNAL CONTROL
AND COMPLIANCE**

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Florida Institute of
Certified Public Accountants

Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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

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, the budgetary comparisons for the general fund and the aggregate remaining fund information of the Pinellas Suncoast Fire & Rescue District, Florida, as of and for the year ended September 30, 2013, and the related notes to the financial statements, which collectively comprise the Pinellas Suncoast Fire & Rescue District, Florida's (District) basic financial statements, and have issued our report thereon dated November 22, 2013.

Internal Control Over Financial Reporting

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

Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

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 may exist that have not been identified.

Compliance and Other Matters

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

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.

Davidson, Jamieson & Crestini, P.L.

November 22, 2013

MANAGEMENT LETTER

Davidson, Jamieson & Cristini, P.L.
Certified Public Accountants

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The Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have audited the financial statements of the Pinellas Suncoast Fire & Rescue District, Florida as of and for the fiscal year ended September 30, 2013 and have issued our report thereon dated November 22, 2013.

We conducted our audit in accordance with United States generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our Independent Auditor's Report on Compliance and Internal Control over Financial Reporting. Disclosures in that report, which are dated November 22, 2013, should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information which is not included in the aforementioned auditor's reports or schedule:

Those rules (Section 10.554(1)(i)(1)) require that we address in the management letter, if not already addressed in the auditor's report on internal controls and compliance, whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made on internal control and compliance issues during the preceding annual financial audit.

As required by the Rules of the Auditor General (Section 10.554(1)(i)(2)), the scope of our audit included a review of the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes.

The Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

As required by the Rules of the Auditor General (Section 10.554(1)(i)(3)), the scope of our audit included a review of possible recommendations to improve the local government entity's financial management. In connection with our audit we did not have any such recommendations.

The Rules of the Auditor General (Section 10.554(1)(i)(4)) requires address violations of provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. Note: Fraud, noncompliance with provisions of laws or regulations and contracts or grant agreements, or abuse that does not warrant the attention of those charged with governance or internal control deficiencies that are not material weaknesses or significant deficiencies may be reported in the management letter based on professional judgment. In connection with our audit, we did not have any findings which warranted the attention of those charged with governance.

The Rules of the Auditor General (Section 10.554(1)(i)(5)) requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity as defined in publications cited in Rule 10.553 unless disclosed in the notes to the financial statements. Legal authority includes the general law, special acts, ordinances, resolutions, or other means by which the local government entity was created and is governed. This disclosure has been included in the District's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013.

The Rules of the Auditor General (Section 10.554(1)(i)6(a) requires that the auditor state whether or not the governmental entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes and identify the specific condition or conditions met. During the course of our audit of the District's financial statements for the fiscal year ended September 30, 2013, we found that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

The Rules of the Auditor General (Section 10.554(1)(i)6(b) requires a statement as to whether or not the financial report filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(a), Florida Statutes, is in agreement with the annual financial audit report for the current audit period. We determined that the Comprehensive Annual Financial Report for the District for the fiscal year ended September 30, 2013 is in agreement with the annual financial report filed with the Florida Department of Financial Services for the fiscal year ended September 30, 2013.

The Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

The Rules of the Auditor General (Section 10.554(1)(i)6(c) and 10.556(7)) requires that we apply financial condition assessment procedures. It is management's responsibility to monitor the District'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 them.

Pursuant to Chapter 119, Florida Statutes, this management letter is public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of management, and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

Davidson, Jamison & Crestino, P.L.

November 22, 2013

**MEMORANDUM ON REVIEW
OF INTERNAL CONTROL STRUCTURE**

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November 22, 2013

The Board of Commissioners
Pinellas Suncoast Fire & Rescue District
Indian Rocks Beach, Florida

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, the budgetary comparisons for the general fund and the aggregate remaining fund information which collectively comprise the basic financial statements of the Pinellas Suncoast Fire & Rescue District of and for the year ended September 30, 2013, and have issued our report thereon dated November 22, 2013.

We have issued our Report on Compliance and Internal Accounting Controls in Accordance with *Government Auditing Standards* dated November 22, 2013. Disclosures in that report, if any, should be considered in conjunction with this management memorandum.

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

In planning and performing our audit of the financial statements of Pinellas Suncoast Fire & Rescue District we considered the District's internal control structure to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we observed a matter that is an opportunity for strengthening internal control and operating efficiency.

2012-2013

A. Accounting and Financial Reporting for Pensions

2011-2012

A. Implementation of GASB Statement 63

2012-2013

A. Accounting and Financial Reporting for Pensions

Effective for the fiscal year ending September 30, 2015, the City will implement GASB Statement 68 which is an amendment of GASB Statement 27.

Under this Standard, the District is required to report a liability on the government-wide statement of net position.

The information for this liability and the related note disclosures for the District's CAFR will be provided by the Florida Retirement System.

We recommend that the District's Finance Director and Fire Chief become familiar with this new standard.

2011-2012

A. Implementation of GASB Statement 63

Statement 63 “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, And Net Position” is effective for the fiscal year ended September 30, 2013. This GASB will have a significant effect on the Comprehensive Annual Financial Report that will be issued next year. Last year we recommended that the District’s Commission become familiar with the new standards prior to the implementation date.

This recommendation has been implemented.

* * * * *

This memorandum is intended solely for the use of the District's Board of Commissioners, management, the Pinellas County, Florida Board of County Commissioners and the Florida Auditor General and is not intended to be and should not be read by anyone other than specified parties.

We appreciate the courtesy and assistance provided to us by the District's personnel during our audit. We will review the status of the above comments during our next audit engagement. We have already discussed many of these comments and suggestions with District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

DAVIDSON, JAMIESON & CRISTINI, P.L.

MANAGEMENT'S RESPONSE



FIRE CHIEF
ROBERT O. POLK, JR.

Pinellas Suncoast Fire & Rescue

304 FIRST STREET
INDIAN ROCKS BEACH, FLORIDA 33785-2508

(727) 595-1117 FAX: (727) 595-5879
www.psfrd.org

November 22, 2013

Davidson, Jamieson & Associates
Ms. Jeanine L. Bittinger, CPA
Partner
1956 Bayshore Blvd.
Dunedin, Florida 34698-2503

Dear Jeanine:

In reference to your November 22, 2013 letter to the Board of Commissioners regarding implementation of GASB Statement 68, "ACCOUNTING AND FINANCIAL REPORTING FOR PENSIONS—AN AMENDMENT OF GASB STATEMENT NO. 27", please be advised that due to the significant effect on the Comprehensive Annual Financial Report, the new standards have been implemented and are so reflected in the FY 2012 – 2013 CAFR.

Our objective for standards compliance permits our continued support and implementation of GASB regulations as we strive for full financial disclosure in accordance with the principles of generally accepted governmental reporting

Sincerely,

David Martin
Finance Director

cc. Chief Polk