Annual Comprehensive Financial Report

Fiscal Year Ended September 30, 2023



Annual Comprehensive Financial Report

City of Cape Coral, Florida

For the Fiscal Year Ended
September 30, 2023

Prepared by:
Financial Services Department


Cape Coral
FLORIDA

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Our Vision

Cape Coral will thoughtfully grow into a vibrant and inclusive community that encourages residential character, creates economic opportunity, and ensures respect for its unique environment.



Our Mission

Provide services and resources that enhance the quality of life for those who live, learn, work, and play in our city.



I. INTRODUCTORY SECTION

CITY OF CAPE CORAL

April 26, 2024

Citizens of Cape Coral
Honorable Mayor
Members of the City Council
City of Cape Coral, Florida

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Cape Coral, Florida:

We are pleased to present to you the Annual Comprehensive Financial Report of the City of Cape Coral, Florida (the City) for the fiscal year ended September 30, 2023. Chapter 218.39, Florida Statutes, and the City Charter require that a complete set of financial statements be published within nine months of fiscal year end and presented in conformance with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America and those standards applicable to audits performed in accordance with *Government Auditing Standards* by licensed independent certified public accountants.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the City. We believe the data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and the results of operations of the City, on a government-wide and fund basis. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

Management of the City is responsible for establishing and maintaining internal controls designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that sufficient, reliable, adequate accounting data is compiled for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America. Internal accounting controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. We believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of properly recorded financial transactions.

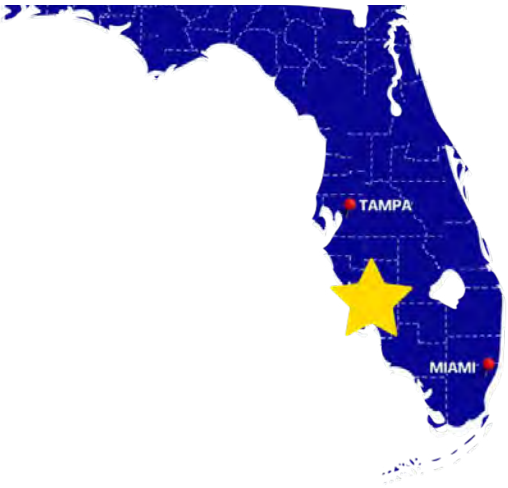
In addition, the City maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual budget approved by the City Council. The City also maintains an encumbrance system that is employed as an extension of formal budgetary integration in all fund types. In compliance with the laws of the State of Florida, the City's financial statements have been audited by CliftonLarsonAllen LLP, a firm of licensed certified public accountants. The independent auditor has issued an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2023 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

Financial Services • City of Cape Coral • P.O. Box 150027 • Cape Coral, Florida 33915-0027
(239) 574-0497 • Fax (239) 574-0734 • www.capecoral.gov

Profile of the City

The City of Cape Coral, incorporated in 1970, is located on the southwest coast of Florida in Lee County, approximately 125 miles south of Tampa, at the mouth of the Caloosahatchee River. The City is the third largest city in Florida land-area wise, encompassing 120 square miles, and the US Census estimates the population to be 213,301 (University of Florida, Bureau of Economic and Business Research, April 2023.) making it the most populated city in Southwest Florida and the eighth most populous in the state.



The City is principally a residential, recreational, and vacation community, and is one of the nation's first master-planned, pre-platted communities. In addition to broad boulevards and paved streets, the City is interlaced with over 400 miles of waterways. These canals provide home sites with access to the Intra-Coastal Waterway and the Gulf of Mexico. City-owned recreational facilities include numerous parks, a youth center, a municipal golf course, a yacht club, a waterpark, and an ecological preserve. Because the tax burden rests mostly on residential properties, the City is actively seeking more aggressive economic development to encourage new construction and expansions to balance the tax burden more equitably between residential and commercial properties.

The City operates under a Council/City Manager form of government. Legislative authority is vested in an elected City Council consisting of eight members elected at large on a nonpartisan basis from districts. The City Council is responsible for all policy-making functions of the government and retains the services of a City Attorney, City Auditor, and City Manager. The City Manager is responsible for the administration of the City.

The City provides a comprehensive range of municipal services including general government, public safety (police, fire and building), public works, community development, parks and recreation, planning, utilities, transportation, education and economic development. In evaluating the City as a reporting entity, we have included all component units for which the City Council is financially responsible. The Community Redevelopment Agency (CRA) is blended with the financial statements presented for the Primary Government because the component unit exclusively serves the City. The Cape Coral Charter School Authority is a discretely presented component unit. The City of Cape Coral Health Facilities Authority does not meet the criteria established by GAAP for inclusion in this report. Additional information on all three of these entities can be found in the notes to the financial statements (see Note I). For additional information concerning the City, please visit our website at www.capecoral.gov.

The City Council is required to adopt a final budget no later than the close of the preceding fiscal year to which the budget applies. Formal legal appropriation by the City Council is at the department level for the General Fund and at the fund level for all other funds to allow the degree of flexibility provided by the City policy. Amendments to the City's operating budget in which appropriations are increased or decreased, or transfers between funds, must be approved by City Council via ordinance changes and include public input. The City Charter authorizes the City Manager to transfer appropriations within an operating department of the General Fund and within the fund for all other funds. Transfers are reviewed and processed by the budget staff and approved by the City Manager when required by administrative policy.

Local Economy

With 6,500 businesses, the City's year-round population of over 200,000 swells to roughly 250,000 during the winter months with seasonal residents, tourists, and international visitors. Cape Coral has experienced the largest amount of growth throughout the last decade contributing to it's strong economy. Some of the major indicators are as follows:

- Unemployment Rates in Cape Coral: July 3.2%, August 3.3%, September 3.2% (fred.stlouisfed.org)
- YTD Vacancy Rate – Retail: 2.0%, Office: 0.9%, Industrial: 0.3 % (CoStar)
- Building and property value changes:

	2022	2023	Change	% Change
New Permit Applications	51,810	83,194	31,384	61%
Building Permits Issued	46,049	81,851	35,802	78%
Valuation of Building Permits Issued[1]	$ 2,014	$ 3,356	$ 1,342	67%
Taxable Assessed Property Value[1]	$ 18,344	$ 22,545	$ 4,201	23%

[1]Amounts shown in Million increments

- Sales tax revenue generated from purchases made in the incorporated city-limits:

Year	Actual	$ Change	% Change
2019	$ 20,678,121		
2020	$ 20,040,384	$ (637,737)	(3%)
2021	$ 24,359,362	$ 4,318,978	22%
2022	$ 29,260,198	$ 4,900,836	20%
2023	$ 31,999,585	$ 2,739,387	9%

Historical information and long-term trends can be viewed in the statistical section of this report.

There are many development projects in different phases that are expected to have a great impact on our economy and fiscal health in the near future. Some of these projects are:

- The Club on Pine Island, Springs at Coral Shores, Siesta Lakes, and Embers Lakes are in the planning and permitting stage and will provide 2,122 multi-family units in 2024.
- Bimini Square, a mixed-use project that will have a waterfront restaurant, 48,000 square feet of retail and professional space, 218 premium apartments, and 25 boat slips, it is expected to open by the end of 2024.
- A retail shopping center called the Shops at Del Mar is expected to open in 2025.
- A seven story 48-unit short-term vacation rental project called Lake Shadroe Resort is expected to open in 2026.

Long-Term Financial Planning

A significant measure of the City's financial strength is the level of its fund balances. Per financial policies, and for the long-term health of the City's General Fund, certain reserves are committed within the fund balance and provide resources for specific purposes such as budget stabilization and disaster recovery, among others. Changes in net position for the fiscal year for governmental activities and business-type activities are discussed starting on page 4 of this report. The components of fund balance for the General Fund and other government funds are discussed on page 10 of this report.

The City of Cape Coral's Asset Management Program is a comprehensive program including a summary of assets owned by the City coupled with the condition and future plans for those assets. The Asset Management Program's budgetary process encompasses the integration of revenues and expenditures along with program and policy issues included in the City's long-range planning process. This long-term plan is in the annual adopted budget document, which can be found at: https://www.capecoral.gov/department/financial_services/office_of_management_and_budget.php#outer-2703

The City of Cape Coral's 2022-2030 Strategic Plan is a management tool that helps the organization assess the current operating environment, anticipate changes, and envision the future. This plan provides a framework for

decision-making and helps meet the community's future needs. The Cape Compass Strategic Plan document can be viewed online at www.capecoral.gov/strategicplan.

Relevant Financial Policies

The City has adopted a comprehensive set of financial management policies in the areas of operating management, debt management, accounts management, financial planning, and economic resources. These policies were reviewed and approved by the City Council on November 7, 2022 by Resolution 210-22.

Major Initiatives

The 2024 general operating budget was crafted with a reduced millage rate of 5.3694 yielding 13.0% more in property tax revenue over 2023. Overall there was a $124,094,753 increase from the 2023 Adopted Budget or a 12.8% increase in total budget. This includes a 21.6% increase in the Enterprise Fund expenditures as a result of the approved Water & Sewer and Stormwater Rate Studies and the corresponding increase in expenditures. The Proposed Budget includes a Budget Sustainability Reserve of 2.6 months of General Fund expenditures. The 2024 Budget does not include new revenue sources; however, the City has several fee studies in process, to include Parks and Recreation Fees, Community Development Services Fees, and Building Fees that may affect service level cost recovery increases in later years.

The City's fiscal year 2024 Asset Management Plan (AMP) was budgeted at $342 million, consisting of capital projects that are major initiatives for the community, highlighted by a $171 million utility expansion project that will allow for residents to be connected to the City's water and sewer system.

Asset Management Program	
Capital Projects	$ 290,501,786
Equipment	12,432,009
Software	950,000
Maintenance	23,006,707
Fleet	12,394,061
Land	2,695,061
	$ 341,979,624

Awards & Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Cape Coral for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This is the 37th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both accounting principles generally accepted in the United States of America and applicable legal requirements. A Certificate of Achievement for Excellence is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report could not be accomplished without the efficient and dedicated service of the Financial Services Department staff. Their continuing effort toward improving the accounting and financial reporting systems improves the quality of information reported to the City Council, State and Federal Agencies, and the citizens of the City of Cape Coral. We sincerely appreciate and commend them for their contributions.

Respectfully submitted,



Mark C. Mason, CPA
Financial Services Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Cape Coral
Florida

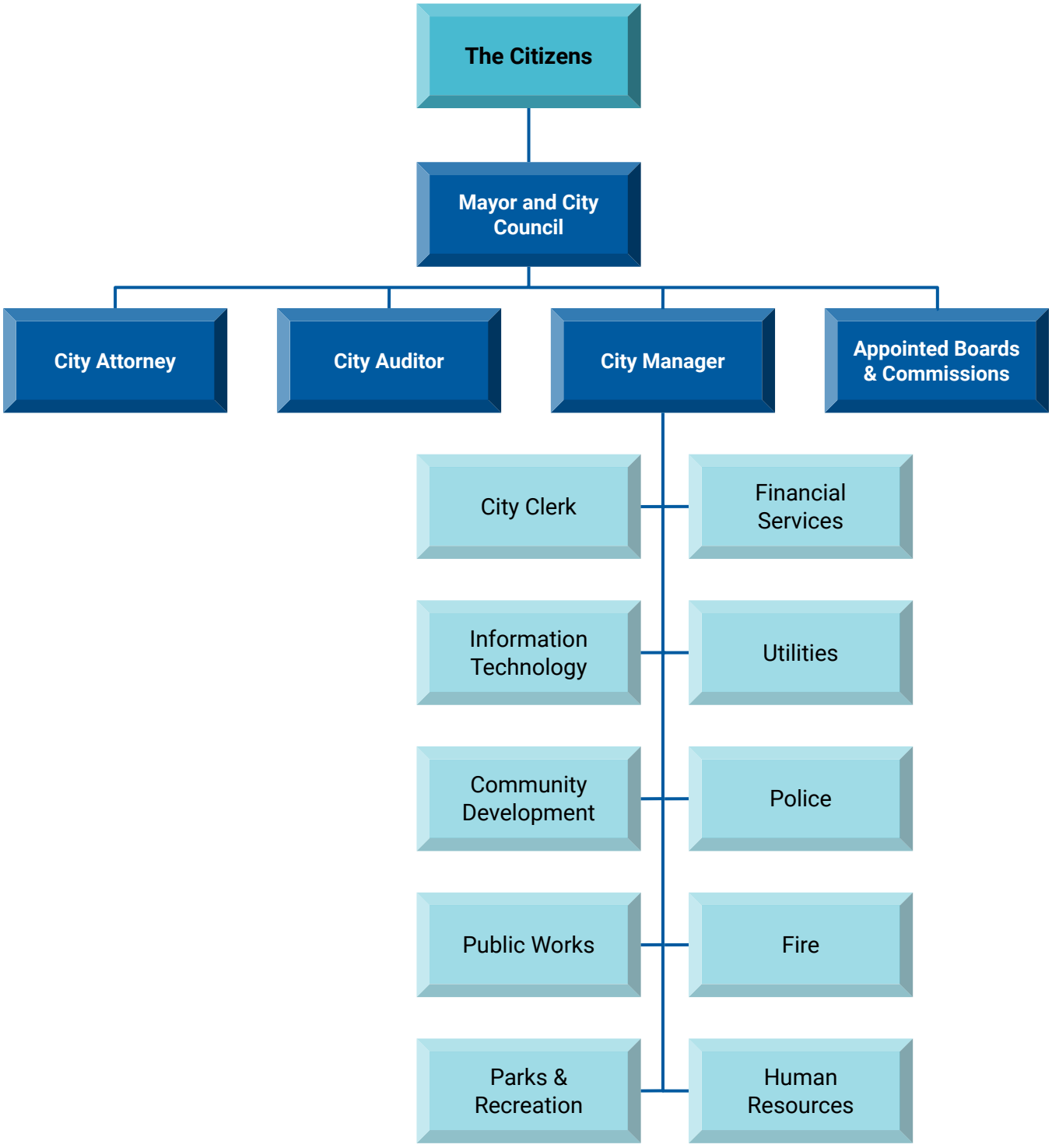
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

ORGANIZATIONAL CHART



City Council

John Gunter
Mayor

William (Bill) Steinke
District I

Dan Sheppard
District II

Tom Hayden
District III

Richard Carr
District IV

Robert Welsh
District V

Keith Long
District VI

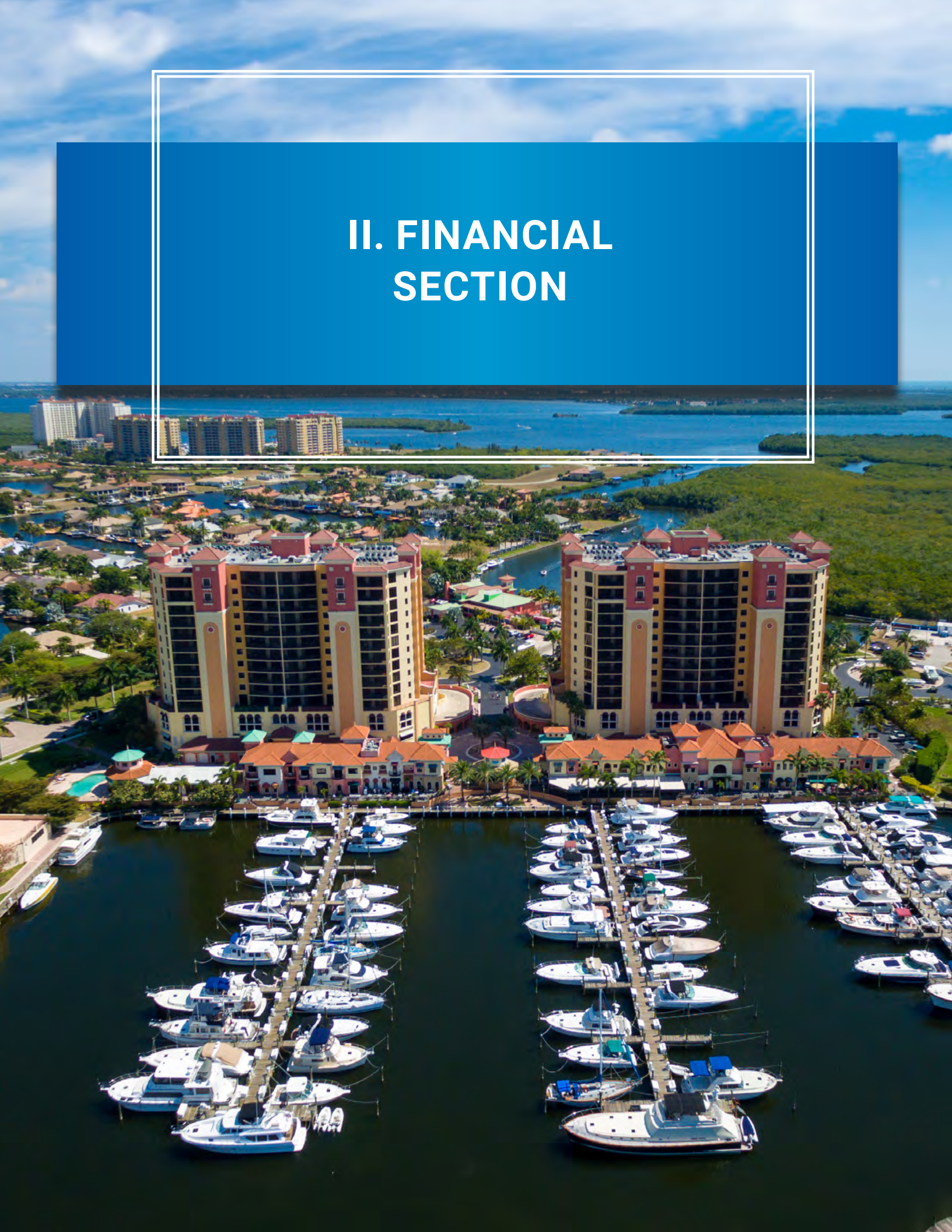
Jessica Cosden
District VII

Michael Ilczyszyn
City Manager

Aleksandr Boksner
City Attorney

Andrea Russell, CPA, CFE, CIA, CGMA
City Auditor

Mark C. Mason, CPA
Financial Services Director



II. FINANCIAL SECTION

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Cape Coral, Florida (the City) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of the Municipal General Employees' Pension Plan, the Municipal Police Officers' Pension Plan, and the Municipal Firefighters' Pension Plan were not audited in accordance with *Government Auditing Standards*.

Emphasis of Matter

As discussed in Note 1 to the financial statements, effective October 1, 2022, the City adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard requires governments to recognize a right-to-use subscription-based information technology arrangement asset and corresponding subscription-based information technology arrangement liability for all arrangements with terms greater than twelve months. Our opinions are not modified with respect to this matter.

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Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A), budgetary comparison schedules for the general fund, fire and solid waste funds and the pension and other postemployment benefit schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and budget and actual schedules, and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits*,* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and budget and actual schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The budget to actual schedules of the capital projects funds on pages 152-156 and 158, which are the responsibility of management, are presented for the purpose of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Information

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

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
March 25, 2024

Management's Discussion & Analysis



Management's Discussion and Analysis

The City of Cape Coral's (the City) Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes, and current known facts. Please read this section in conjunction with the City's financial statements (beginning on page 18) and letter of transmittal.

The MD&A provides an overview and analysis of the financial activities of the City for the fiscal year ended September 30, 2023. It is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position, (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Highlights

Financial Highlights

- For fiscal year 2023, the City's total net position increased by $72.0 million or 8.3%. The governmental activities net position increased by $13.2 million or 5.2% and the business-type activities net position increased by $58.8 million or 9.5%. The analysis of these changes in net position related to governmental and business-type activities is further discussed on pages 7-8 of this MD&A.
- The governmental activities revenue increased $68.4 million or 21.4%. In fiscal year 2023, the results of governmental activities produced an increase in net position of $13.2 million, while in fiscal year 2022 governmental activities net position increased by $24.8 million. The analysis of these changes and current year impacts related to governmental activities is further discussed on pages 10-12 of this MD&A.
- The business-type activities revenue increased by $50.2 million or 31.0%. In fiscal year 2023, the results of the business-type activities produced an increase in net position of $58.8 million, while in fiscal year 2022 net position increased by $21.9 million. The analysis of these changes and current year impacts related to business-type activities is further discussed on pages 12-13 of this MD&A.
- The City's total expenses increased by $89.1 million or 20.3%. The analysis of this change related to government-wide activities and changes in net position is further discussed on pages 11-12 of this MD&A.
- The General Fund, the primary operating fund, reflected on a current financial resource basis, reported a decrease in fund balance of $56.5 million, compared to an increase of $10.6 million in fiscal year 2022. The analysis of these changes related to the General Fund is further discussed in the fund financial statement analysis section on pages 13-14 of this MD&A.

Overview of the Financial Statements

This MDA is intended to serve as an introduction to the City's basic financial statements. The basic financial statements include the government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The *Government-wide financial statements* (statement of net position and statement of activities) are designed to provide a broad overview of the City, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Net position may serve as a useful indicator of whether the financial position of the City is improving.

The *Statement of Activities* reflects the expenses of a given function, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function.

Governmental activities are supported by taxes and intergovernmental revenues whereas the business-type activities are primarily supported by user fees and charges for services. The governmental activities of the City include General Government, Public Safety, Public Works, Parks and Recreation, and Community Development. The business-type

activities of the City reflect private sector type operations where the fee for service typically covers all or most of the cost of operation, including depreciation. The business-type activities include Water and Sewer operations, Stormwater Utility, and the Yacht Basin.

The government-wide financial statements include not only the City of Cape Coral itself (known as the primary government), but also a legally separate Charter School Authority, reported as a component unit. Separate financial statements are issued for the Cape Coral Charter School Authority which can be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

The government-wide financial statements can be found on pages 21-22 of this report.

Fund Financial Statements

Government resources are allocated to and accounted for in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures or expenses, as appropriate. All the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - *Governmental Fund* financial statements (see pages 23-26) are prepared on a modified accrual basis using a current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

The total columns on the Governmental Funds and Proprietary Funds financial statements are not the same as the governmental activities column and the business-type column on the government-wide financial statement. The Governmental Funds total column requires reconciliation to the governmental activities total to account for the different measurement focus (current financial resources versus total economic resources) which is reflected on the page following each statement (see pages 24 and 26). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations (bonds and others) into the Governmental Activities column in the Government-wide Statements. The Proprietary Funds total column requires reconciliation because the internal service fund is consolidated as part of the governmental activities, but a portion of the internal service funds is for business-type activities. This reconciliation is a result of the surplus elimination (see pages 28-29).

Four of the City's governmental funds, the General Fund, the Fire Fund, the Solid Waste Fund, and the General Obligation Fund, are considered major funds and are shown separately on the financial statements. All other governmental funds are combined into a single column on the governmental fund's financial statements. Individual fund data for the non-major funds is found in the combining statements as supplemental financial data (see pages 127-134).

The City adopts an annual appropriated budget for the General Fund and Special Revenue Funds. Budgetary comparison statements for the general fund are presented on page 109 of the basic financial statements and other governmental funds are presented on pages 135-160 of the combining statements.

Proprietary Funds - The City maintains two different types of *proprietary funds* known as enterprise funds and internal service funds. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal Service Funds are used to accumulate and allocate costs internally among the City's various functions. Internal Service Funds have been included within governmental activities in the government-wide financial statements because they predominantly benefit governmental rather than business-type functions.

Proprietary Fund financial statements (see pages 27-31), like government-wide financial statements, are prepared on the full accrual basis. Proprietary Funds record both operating and non-operating revenues and expenses. Operating revenues are obtained from the operations of the Proprietary Fund.

The Proprietary Fund financial statements provide separate information for the Water and Sewer Fund and for the Stormwater Fund, which are considered major funds. Other Non-Major Enterprise Funds are combined into a single column on the Proprietary Fund financial statements when there is more than one non-major fund. Right now the only non-major proprietary fund is the Yacht Basin Fund. Additionally, the Internal Service Funds are reported in a

single column on the proprietary statements. Individual fund data for the Non-Major Enterprise Funds and for the Internal Service Funds are found in the combining statements as supplemental financial data (see pages 162-164).

Fiduciary Funds **-** The *Fiduciary Fund* financial statements (see pages 32-33) are not presented as part of the Government-wide Financial Statements because the resources of these funds are not available to support the City's programs. Fiduciary (Pension Trust, Private-Purpose Trust and Custodial) Funds represent trust responsibilities of the government; however, these assets are restricted as to purpose and do not represent discretionary assets of the government.

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 34-106 of this report.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information including budgetary comparison information and the funding progress for pension and schedule of changes in total Other Post Employment Benefits (OPEB) liability. Required supplementary information can be found on pages 109-123 of this report.

Government-Wide Financial Analysis

The Government-wide Financial Statements are designed so that the user can determine if the City is in a better or worse financial condition from the prior year. The City's overall financial condition has improved, as summarized in the following table.

SUMMARY OF NET POSITION
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022 [1]	2023	2022 [1]	2023	2022
Current and other assets	$ 389.8	$ 375.9	$ 285.7	$ 270.5	$ 675.5	$ 646.4
Capital assets	506.4	487.6	1,136.8	1,120.6	1,643.2	1,608.2
Total assets	896.2	862.7	1,422.5	1,391.0	2,318.7	2,254.6
Deferred outflows of resources	117.4	172.9	38.1	53.0	155.5	225.9
Current and other liabilities	62.5	42.6	88.0	41.9	150.5	84.5
Noncurrent liabilities	591.0	705.0	676.9	779.3	1,267.9	1,484.3
Total liabilities	653.5	746.8	764.9	821.1	1,418.4	1,568.8
Deferred inflows of resources	94.0	35.9	20.1	6.2	114.1	42.1
Net position:						
Net investment in capital assets	330.8	317.0	510.2	476.4	841.0	793.4
Restricted	147.5	117.1	176.0	126.8	323.5	243.9
Unrestricted	(212.2)	(181.2)	(10.7)	13.5	(222.9)	(167.7)
Total net position	$ 266.1	$ 252.9	$ 675.5	$ 616.7	$ 941.6	$ 869.6

[1] The City implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in 2023 resulting in a restatement of beginning balances.

The net position of the City increased in total by $72.0 million or 8.3%. Governmental activities net position increased by $13.2 million or 5.2% and business-type activities increased by $58.8 million or 9.5%.

Net investment in capital assets is the largest portion of net position. This represents capital assets (land, buildings, improvements, equipment, capital leases, computer software, subscription based IT arrangements, infrastructure, and construction in progress), net of accumulated depreciation and amortization and the outstanding related debt used to acquire the assets. Unamortized bond insurance costs "follow the debt" in calculating net asset components for the statement of net position. That is, if debt is capital-related, the unamortized amounts are included in the calculation of net investment in capital assets. If the debt is restricted for a specific purpose and the proceeds are

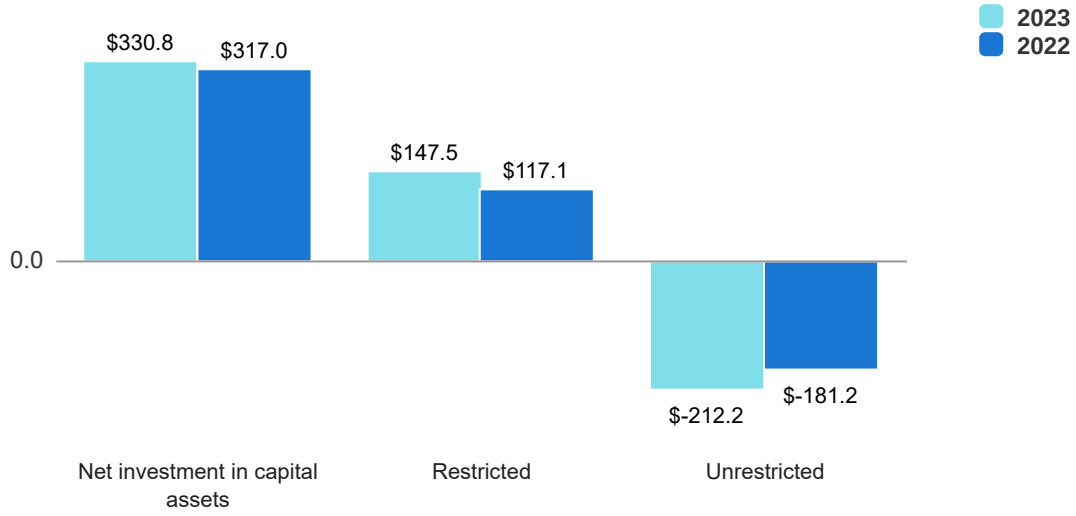
unspent, the net proceeds impact restricted net position. If the debt proceeds are not restricted for capital or other purposes, the unamortized costs are included in the calculation of unrestricted net position.

The City's total net investment in capital assets balance of $841.0 million is an increase of $47.6 million or 6.0%, over fiscal year 2022. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

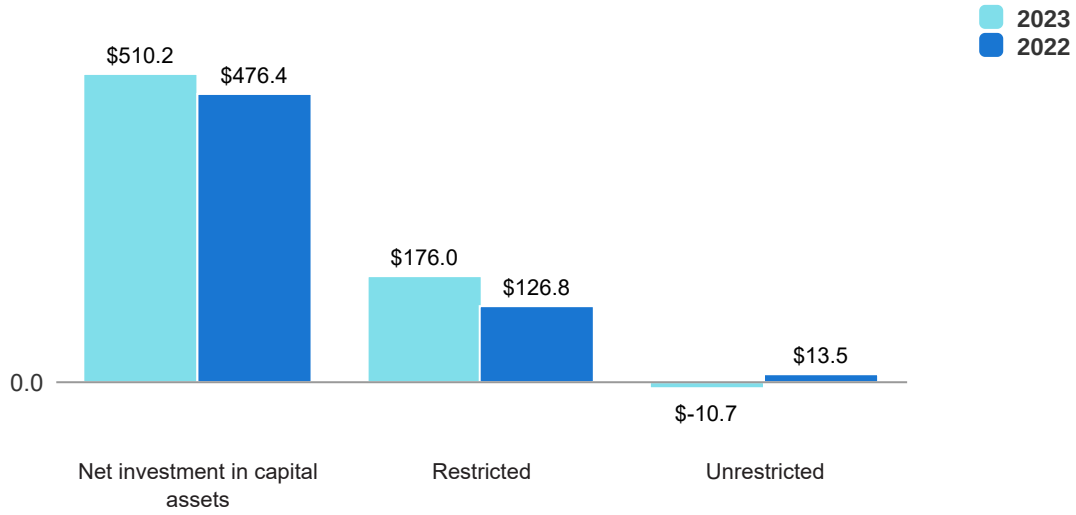
The total restricted net position of $323.5 million (34.4% of total net position) represents resources subject to external restrictions on their use. There was an overall increase of $79.6 million or 32.6% during fiscal year 2023. Both governmental activities and business-type activities experienced increases in their restricted net positions, $30.4 million or 26.0%, and $49.2 million or 38.8%, respectively.

The City's total unrestricted net position balance decreased during the fiscal year, from negative $167.7 million to negative $222.9 million, a change of $55.2 million from the prior year.

Net Position – Governmental Activities Millions:



Net Position – Business Type Activities Millions:



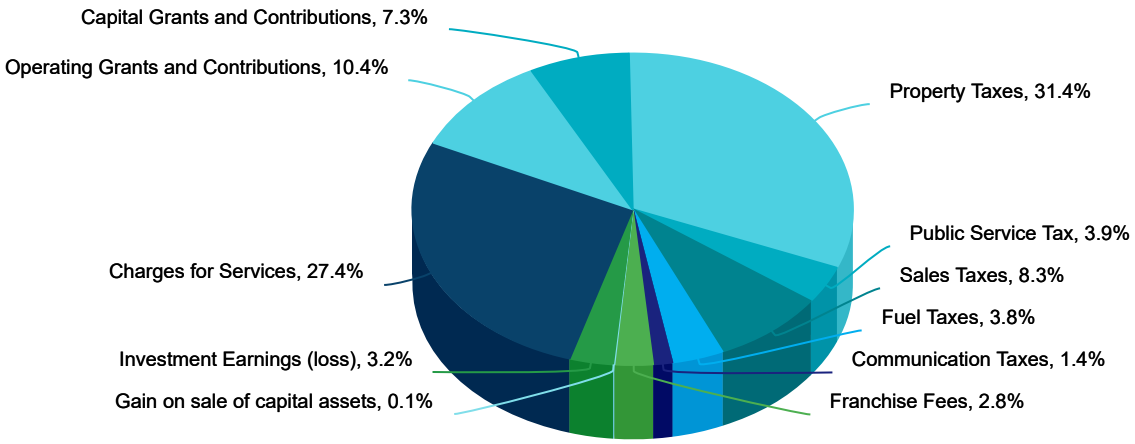
SUMMARY OF CHANGES IN NET POSITION
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2023 [1]	2022	2023 [1]	2022	2023 [1]	2022
REVENUES:						
Program Revenues:						
Charges for Services	$ 105.9	$ 67.1	$ 132.9	$ 127.7	$ 238.8	$ 194.8
Operating Grants and Contributions	40.3	42.3	1.2	-	41.5	42.3
Capital Grants and Contributions	28.3	30.1	60.5	42.7	88.8	72.8
Property Taxes	121.5	115.1	-	-	121.5	115.1
Public Service Tax	15.2	12.3	-	-	15.2	12.3
Sales Taxes	32.0	29.3	-	-	32.0	29.3
Fuel Taxes	14.6	12.8	-	-	14.6	12.8
Alcohol and beverage	0.1	0.1	-	-	0.1	0.1
Communication Taxes	5.5	5.2	-	-	5.5	5.2
Franchise Fees	10.8	9.0	-	-	10.8	9.0
Investment earnings (loss)	12.4	(4.9)	17.2	(4.2)	29.6	(9.1)
Gain on sale of capital assets	0.2	-	0.4	(4.2)	0.6	(4.2)
Total Revenues	386.8	318.4	212.2	162.0	599.0	480.4
EXPENSES:						
Program Activities						
Governmental Activities:						
General Government	137.0	70.2	-	-	137.0	70.2
Public Safety						
Police	67.7	64.6	-	-	67.7	64.6
Fire	60.8	56.4	-	-	60.8	56.4
Building	22.4	11.8	-	-	22.4	11.8
Public Works	46.8	41.8	-	-	46.8	41.8
Parks and Recreation	27.4	22.8	-	-	27.4	22.8
Community Development	5.3	20.0	-	-	5.3	20.0
Interest and fiscal charges	6.2	6.2	-	-	6.2	6.2
Business-type Activities:						
Water and Sewer	-	-	135.9	126.0	135.9	126.0
Stormwater	-	-	17.0	17.6	17.0	17.6
Yacht Basin	-	-	0.5	0.5	0.5	0.5
Total Expenses	373.6	293.8	153.4	144.1	527.0	437.9
Increase (Decrease) in Net Position before transfers	13.2	24.6	58.8	22.1	72.0	42.5
Transfers, net	-	0.2	-	(0.2)	-	-
Change in Net Position	13.2	24.8	58.8	21.9	72.0	42.5
Net Position - beginning	252.9	228.1	616.7	594.8	869.6	822.9
Net Position - ending	$ 266.1	$ 252.9	$ 675.5	$ 616.7	$ 941.6	$ 865.4

[1] The City implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) fiscal year 2023.

Governmental Activities

Revenues by Source – Governmental Activities:



Total revenues for governmental activities increased $68.4 million or 21.4%, during fiscal year 2023, as a result of an increase in revenues from charges for services, property tax, FEMA revenues from Hurricane Ian and investment earnings. Outlined below are explanations for the significant revenue changes within governmental activities.

Charges for services increased $38.8 million or 57.8% primarily due to reclassifying the Fire Service Assessment of $31.6 million from the other operating grants and contributions category to the charges for services category, based on the nature of the revenues. Revenues from the Solid Waste Public Service Tax increased by $3.6 million or 19.5% due to an increase in the fee to $248.95 from $220.72. Insurance proceeds increased by $3.8 million due to claims from Hurricane Ian.

Operating grants and contributions decreased $2.0 million or 4.7% primarily due to reclassification of the Fire Service Assessment of $31.6 million from the other operating grants and contributions category to the charges for services category, based on the nature of the revenues. This decrease was offset by an increase in hurricane related revenues from the Federal Emergency Management Agency (FEMA) of $20.2 million as well as State Housing Initiatives Partnership (SHIP) revenues of $4.6 million for the Hurricane Housing Recovery program and the Insurance Deductible program. Revenues related to prior period expenditures (deferred inflows) increased by $3.1 million. Police and Fire pension payments received from the state increased by $.8 million.

Capital grants and contributions decreased slightly by $1.8 million or 6.0%. Impact fees decreased overall by $0.5 million or 1.7% from last fiscal year's $28.2 million. Commercial impact fee revenue increased by $2.4 million while residential impact fee revenue decreased by $2.9 million. Sidewalk grants from the Florida Department of Transportation decreased by $2.4 million due to a decrease in sidewalk projects that are eligible for grant reimbursement.

Property tax revenue for fiscal year 2023 increased $6.4 million or 5.6%, to $121.5 million, representing 31.4% of the total revenue from the City's governmental activities. Despite another drop in the millage rate to 5.3694 mills, the increase in revenue is attributable to the continuing increase in taxable assessed property values to $22.5 billion.

Public Service Tax revenue from electricity purchased by residents and business owners increased $2.9 million or 23.6% over last fiscal year. The increase was largely due to an amendment of the City's Code of Ordinances removing the first 500-kilowatt hours usage exemption from purchased electricity, and levying the tax on purchased natural gas and propane fuel. The amendment took effect April 1, 2022, and left the 7% tax rate unchanged. This is the first full fiscal year reflecting the change.

Revenue from sales taxes, including the Local Government Half-cent and state-shared collections, increased by $2.7 million or 9.2% over the prior fiscal year. Continued population growth of the City as well as higher prices on consumer products contributed to the increase.

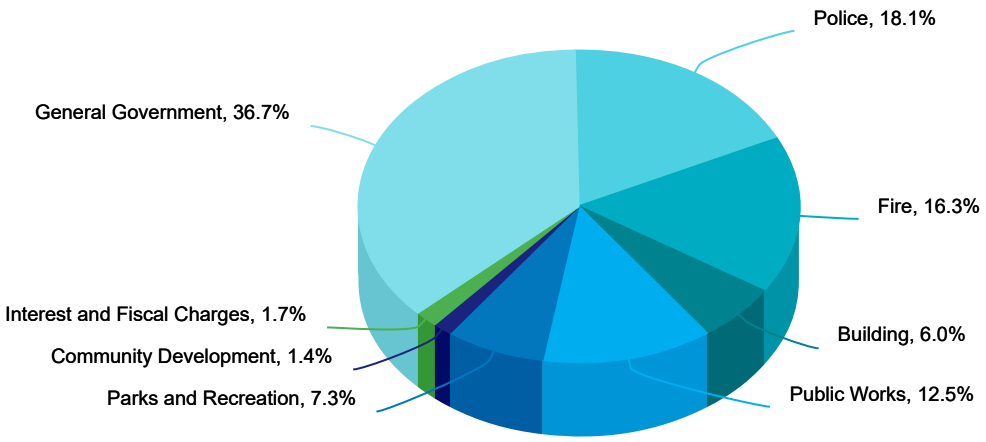
Fuel tax revenue includes state-shared collections on fuel sales, as well as rebates of fuel taxes paid by the City on its purchases. An increase of $1.8 million or 14.1% over the prior year was recorded by the City in fiscal year 2023 due to increased consumption corresponding to population growth.

Communication Services Tax revenue increased slightly by $0.3 million or 5.8%. This tax replaced all local taxes on telephone and cable services in fiscal year 2001. The current rate of 5.5% was adopted January 1, 2019, and remained unchanged for fiscal year 2023.

Franchise fees increased $1.8 million or 20.0%. Franchise fees are levied on corporations or individuals by the City in return for granting a privilege or permitting the use of public property subject to regulations. The City receives franchise fees for electricity, solid waste, and natural gas.

The City's investment portfolios at fiscal year end reflect unrealized gains of $12.4 million, primarily due to improvements in market conditions. This is an increase of $17.4 million from the prior year. Gains and losses are only realized when the securities are sold.

Expenses by Program – Governmental Activities:



Total expenses for governmental activities increased $79.8 million or 27.2% during fiscal year 2023. The majority of the change is due to general government operations which make up 95.3% of all expense categories. The large increase in total expenses this year is due to Hurricane Ian. Outlined below are the explanations for the most significant expense changes within governmental activities.

General Government expenses increased $66.8 million or 95.2%. The primary reason for the increase is due to Hurricane Ian related expenses totaling $82.0 million of which $64.5 million was related to debris. This required an investment of existing resources to support the community's recovery from the natural disaster. Pension related expenditures decreased $9.2 million based on the fiscal year 2023 actuarial valuation. Loss on capital asset dispositions decreased by $2.8 million as the expenditures recorded in the prior fiscal year were not expected to be reoccuring.

Public Safety – Police expenses increased $3.1 million or 4.8%. Pension related expenditures increased $4.9 million based on the fiscal year 2023 actuarial valuation. Salary and benefit expenses decreased by $1.9 million as salary related to Hurricane Ian was captured in the General Government category.

Public Safety – Fire expenses increased by $4.4 million or 7.8%. Pension related expenditures increased $8.3 million based on the fiscal year 2023 actuarial valuation. Salary and benefit expenses decreased $5.8 million primarily due to a $8.1 million decrease in OPEB expense based on the actuarial valuation. Expenses related to Hurricane Ian resulted in an additional $1.9 million in expenditures.

Public Safety – Building expenses increased by $10.6 million or 89.8%. Pension related expenditures increased $1.3 million based on the fiscal year 2023 actuarial valuation. Salary and benefit expenses increased $1.6 million due to the addition of eight customer service representatives, one senior customer service representative and two plan review technicians, as well as budgeted increases in salaries. Additionally, expenditures totaling $6.3 million previously categorized as Community Development actually support development services and building safety and were re-categorized as such this year.

Public Works expenses increased by $5.0 million or 12.0%. Pension related expenditures increased $1.0 million based on the fiscal year 2023 actuarial valuation. Outside services related to solid waste collection increased by $2.3 million. Salary and benefit expenses decreased $0.6 million or 9.0%, the combination of a decrease in OPEB expense of $0.8 million based on the fiscal year 2023 actuarial valuation, and a budgeted increase in salaries of $0.2 million. Other operating expenses increased $3.2 million or 10.2%, of which $0.3 million was attributable to fleet and facility charges resulting from increased costs of fleet and facility personnel. The bulk of the increase consisted of outside professional services of $1.1 million for solid waste collection and disposal, a result of increased collection costs for waste removal. Maintenance of roads, bridges, street and traffic lights, and median beautification generated $0.7 million of the increase in operating expenses.

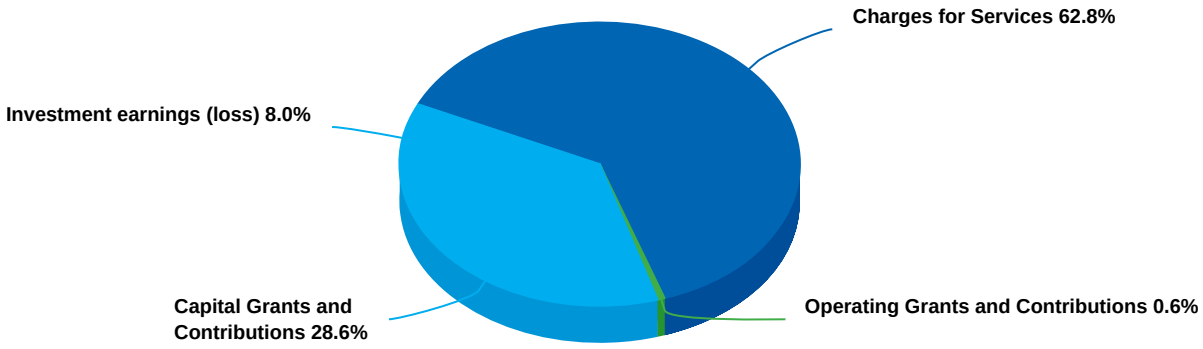
Parks and Recreation expenses increased by $4.6 million or 20.2%. Pension related expenditures increased $1.4 million based on the fiscal year 2023 actuarial valuation. Salary and benefit expenses increased $1.5 million of which $0.8 million is related to the OPEB actuarial valuation. Charges for services related to the capital project internal service fund increased by $2.6 million.

Community Development expenses decreased $14.7 million or 73.5%. This decrease is primarily due to an expenditure in the prior year relating to a one time expense of $10.3 million for a project assistance agreement. Additionally, expenses related to the public safety of buildings were recorded under the community development category in the prior fiscal year. In the current fiscal year they were classified in the public safety building category.

Business-type Activities

The net position of the City's business-type activities increased by $58.8 million or 9.5%. There was an increase in the business-type activities' net investment in capital assets of $33.8 million, or 7.1% in comparison to the prior year.

Revenues by Source – Business-type Activities:



Total revenues for business-type activities increased $46.0 million or 27.7% during fiscal year 2023, mainly due to increases in revenues from charges for services, capital grants and contributions, and investment earnings.

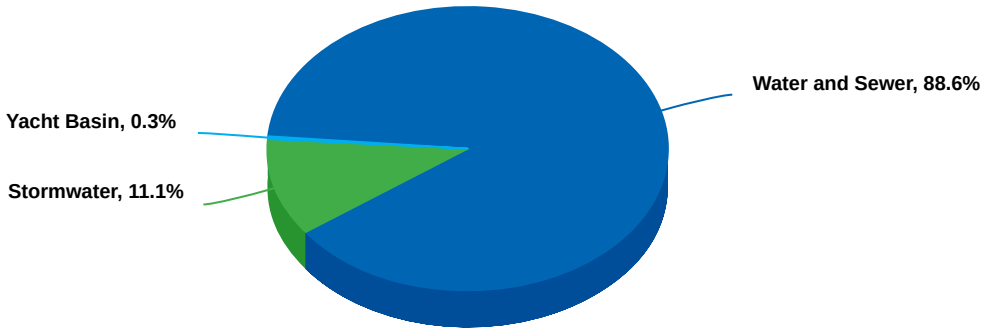
Charges for services reported in business-type activities increased $5.2 million or 4.1%. A portion of the change is due to a $7.1 million increase in water and sewer revenues, related to increases in commodity and capacity charges due to an increase in new construction. Stormwater revenues decreased by $1.2 million, primarily a result of a decrease in state funding for stormwater management. Yacht Basin revenues decreased by $0.6 million due to damage caused by Hurricane Ian that forced the Yacht Basin to be closed for six months along with the destruction of boat slips available for rental.

Operating grants and contributions reported in business-type activities increased $1.2 million or 100.0%, due to funds received from the Federal Emergency Management Agency for Hurricane Ian relief efforts.

Capital grants and contributions reported in business-type activities increased by $17.8 million or 41.7%. The primary reasons were due to Southwest Florida Water Management District providing grants totaling $5.2 million and the Florida Department of Environmental Protection providing grants totaling $7.7 million. These grants were used to fund two water and sewer utility infrastructure projects: the Caloosahatchee Reclaimed Water Transmission line and the Northeast Reservoir. There was also an increase of $5 million to Capital Facility Expansion Fees for the North 1 West Utility Expansion Project.

Investments reported in business-type activities resulted in a gain of $17.2 million which is an increase of $21.4 million from the prior year's loss of $4.2 million. This change is due to market conditions improving and favorable interest rates on investments. Gains and losses are only realized when the securities are sold.

Expenses by Program – Business-type Activities:



Water and Sewer expenses reported in business-type activities increased $9.9 million or 7.9%. Salary and benefit expense decreased by $3.5 million due to a decrease in general pension expense. Contractual services, materials and supplies increased by $8.3 million due to higher costs for fuel, electricity, chemicals and other items. Debt service costs increased by $3.5 million.

Stormwater expenses reported in business-type activities decreased $0.6 million or 3.4%. The decrease is primarily due to a decrease in general pension expense.

Yacht Basin expenses remained unchanged from fiscal year 2022 primarily due to the closure of the Yacht Basin as a result of damage sustained during Hurricane Ian.

Financial Analysis of the City's Funds

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

Governmental Funds

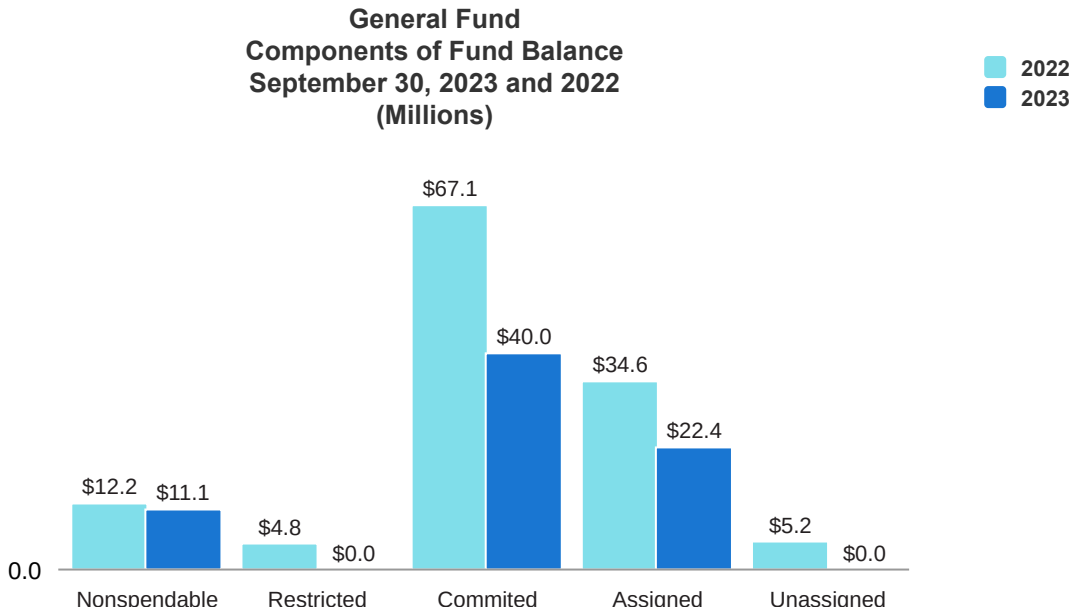
Governmental funds are comprised of the general fund, special revenue funds, debt service fund and the capital projects funds. Governmental funds use the current financial resources measurement focus that provides information on near-term inflows, outflows, and balances of spendable resources. The following funds are the City's major governmental funds.

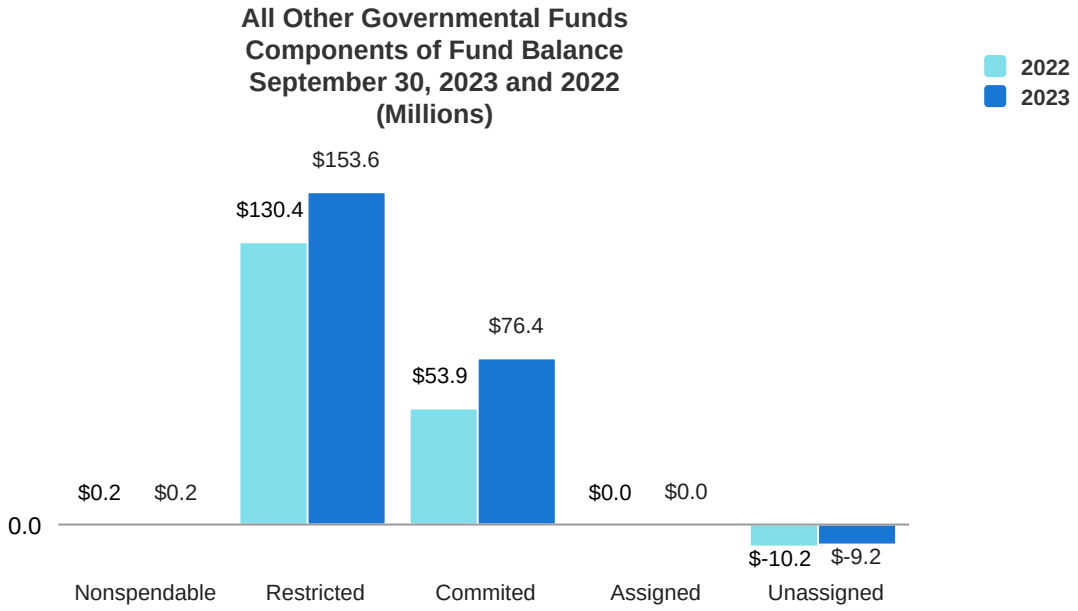
The *General Fund* is the chief operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund. At the end of the current fiscal year the General Fund fund balance decreased by $56.5 million or 43.4% from $130.0 million to $73.5 million. The decrease is primarily due to expenditures resulting from Hurricane Ian that are pending reimbursement from the Federal Emergency Management Agency and the State of Florida.

The *Fire Fund* is used to account for fire operations and grants including a special assessment for fire protection services based on a "readiness-to-serve" level of service. This fund has a total fund balance of $6.8 million. This is a new fund in fiscal year 2023 as revenues were recorded in the general fund in prior years.

The *Solid Waste Fund* is used to account for the City's collection and payment of solid waste fees. This fund has a total fund balance of $4.1 million compared to $3.3 million last year. This was primarily due to an increase to the tax assessment resulting in additional revenues.

The *General Obligation Fund* is used to account for the voter approved $60.0 million expansion of the City's parks and recreation amenities. The fund has a fund balance of $8.0 million, a decrease of $10.5 million or 57.0% compared to the prior year due to budgeted expenditures on parks projects.





Proprietary Funds

The City's proprietary funds are the enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. These funds provide the same type of information found in the business-type activities in the government-wide financial statements, but in more detail. The following are the major enterprise funds:

Water and Sewer Fund - This fund is used to account for the activities of the City's water, sewer, irrigation and utility programs.

Stormwater Fund - This fund is used to account for the activities of the City's stormwater drainage in compliance with the Environmental Protection Agency, and local and state regulations.

General Fund Budgetary Highlights

Original budget compared to final budget. The budgetary comparison schedule can be found on page 109. Four budget amendments were adopted by the City Council for fiscal year 2023. Major changes to the budget as a result of those amendments include:

Revenues

- Fund balances brought forward from the end of fiscal year 2022 were $130.0 million.
- Intergovernmental revenue was increased by $84.3 million or 2339.0% to add additional grant awards including funds from the Federal Emergency Management Agency related to Hurricane Ian recovery.
- Use of fund balance was increased by $30.1 million, or 164% to help pay for hurricane related expenditures.

Expenditures

- General government expenditures budget was amended to include an increased by $98.4 million or 201.8% for expenditures related primarily to the local state of emergency declared as a result of Hurricane Ian.
- Transfers out to the newly created Fire Operations Fund were increased by $7.5 million, or 32.9% to transfer fund balance into the new fund.
- Transfers out for capital improvement projects were increased by $6.6 million or 38.7% to fund Fire, Police, Parks & Recreation, Computer Systems and Infrastructure capital projects.

Final budget compared to actual results. Budgetary numbers are based on historical trends as well as decisions of senior management and City Council. A review of actual results compared to the appropriations in the final budget highlights the following:

Revenue

- Tax revenue was $6.5 million or 4.0% higher than the budgeted amount primarily due to sales tax revenues.
- Intergovernmental revenue was less than the final budget by $59.3 million primarily due to federal grant funds from the Federal Emergency Management Agency for Hurricane Ian relief that were not received by the end of the year.
- Franchise fee revenue was $3.1 million or 40.6% more than budgeted and consisted of fees on electricity, natural gas, and solid waste.
- Other revenue was $2.8 million more than budget primarily due to insurance proceeds received related to Hurricane Ian.
- Fines and forfeitures revenue exceeded budget by $0.2 million or 31.4%. This revenue line item includes several different fines and fees such as ordinance violation fines, filing fees, and tax billed penalties and is budgeted conservatively.
- Investment earnings were $2.7 million over budget mainly due a change in market conditions.

Expenditures

- General Government expenditures were $20.0 million or 13.6% less than the budgeted amount, mainly due to anticipated expenditures from Hurricane Ian that were not incurred during the fiscal year.
- Public Safety Police expenditures were $1.3 million or 2.2% under budget primarily because salaries paid during the declared state of emergency for Hurricane Ian were recorded in the General Government category.
- Public Works expenditures were under budget by $2.5 million or 14.0% under budget primarily because salaries paid during the declared state of emergency for Hurricane Ian were recorded in the General Government category.

- Community Development expenditures were $0.7 million or 9.2% under budget primarily because salaries paid during the declared state of emergency for Hurricane Ian were recorded in the General Government category.
- Parks and Recreation expenditures were $6.8 million or 25.0% under budget primarily because salaries paid during the declared state of emergency for Hurricane Ian were recorded in the General Government category. Additional planned maintenance expenditures were placed on hold to focus on recovery from Hurricane Ian.
- Capital Outlay expenditures were $3.4 million or 36.9% less than budgeted as resources were focused on Hurricane Ian recovery.

Capital Assets and Debt Administration

Capital Assets

The following schedule reflects the City's net capital assets as of September 30, 2023 and 2022:

	Governmental Activities		Business-type Activities		Total	
	2023	2022 [1]	2023	2022 [1]	2023	2022
Land	$ 163.5	$ 161.9	$ 32.2	$ 31.9	$ 195.7	$ 193.8
Buildings	77.9	81.4	246.2	255.7	324.1	337.1
Right to use - buildings	0.2	-	0.2	-	0.4	-
Improvements other than buildings	31.7	32.2	134.0	137.0	165.7	169.2
Equipment	21.0	19.4	12.4	10.6	33.4	30.0
Right to use - equipment	0.8	0.2	-	-	0.8	0.2
SBITA[1]	1.0	0.8	-	0.1	1.0	0.9
Infrastructure	131.2	128.5	593.8	597.6	725.0	726.1
Construction in progress	79.1	63.2	118.0	87.7	197.1	150.9
Total capital assets	$ 506.4	$ 487.6	$ 1,136.8	$ 1,120.6	$ 1,643.2	$ 1,608.2

[1] The City implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in fiscal year 2023resulting in a restatement of beginning balances.

During fiscal year 2023, the City's total capital assets increased by $35.0 million or 2.2%. Governmental assets increased overall by $18.8 million or 3.9% primarily due to an additional $15.9 million in construction in progress. Business-type activities assets increased $16.2 million or 1.4% primarily due an increase in construction in progress of $30.3 million offset by depreciation expense.

Major capital asset purchases and projects during the current fiscal year included the following:

- River Crossing Project
- CRA Utility Improvements
- Water Reclamation Operations Building
- GOBOND Parks: Sands Park, Lake Kennedy Park, Oasis Park, Del Prado Linear Park, and Shade Structures
- North 1 Utility Expansion Project
- Irrigation and Pump Improvements
- City-wide software updates
- Sidewalk and road improvements
- Fire Station #13
- Fire Training Facility
- Police Training Facility

Additional information on the City's capital assets can be found in Note 6: Capital Assets.

Long Term Debt

Three major rating institutions (Moody's, Fitch, and Standard & Poor's) have periodically evaluated the City's financial management, economic conditions, and administrative practices. Based on their evaluations, the following ratings were achieved on the last issue of each type. The insured rating is based on the credit worthiness of the company insuring the bonds, whereas an underlying rating is based upon the credit worthiness of the issuer or security which is actually pledged for the repayment of the bonds.

During fiscal year 2023, the major rating institutions reaffirmed or assigned various ratings. Below is a summary of the bonds which were reviewed.

Fitch Ratings: Water and Sewer Revenue Bonds, Series 2015 affirmed "A+ Outlook Negative" on November 02, 2023.

At September 30, 2023, the City had $813.7 million of outstanding debt (excluding compensated absences and other post employment benefits). General Obligation Bonds, which are secured solely by ad valorem taxes, had an outstanding balance of $35.0 million, or 4.3%, of the total outstanding debt. Revenue Bonds, which are secured solely by specified revenue sources, had an outstanding balance of $429.5 million or 52.8%, of the total outstanding debt. Special assessment debt which is collateralized by special assessments levied against the benefited property owners, had an outstanding balance of $266.1 million, or 32.7%, of the total outstanding debt. Notes from Direct Borrowing, which are collateralized by the net revenues of the water and sewer system, impact fees, special assessment revenue, and other specified revenues sources had an outstanding balance of $81.2 million, or 3.8%, of the total outstanding debt. In addition, Capital Leases had an outstanding balance of $1.2 million and Subscription Based IT Arrangements had an outstanding balance of $.7 million.

The following is a schedule of outstanding debt as of September 30, 2023 and 2022:

	Governmental Activities		Business-type Activities		Total	
	2023	2022 [1]	2023	2022 [1]	2023 [1]	2022
General Obligation Debt-Note from direct borrowing	$ 35.0	$ 37.4	$ -	$ -	$ 35.0	$ 37.4
Revenue Bonds	94.3	99.7	335.2	341.3	429.5	441.0
Special Assessment-Note from Direct Borrowing Debt with Governmental Commitment	-	-	266.1	281.8	266.1	281.8
Notes from direct borrowings with Governmental Commitment	51.5	54.4	-	-	51.5	54.4
Notes from direct borrowings	-	-	29.7	37.9	29.7	37.9
Lease Payable	1.0	0.2	0.2	-	1.2	0.2
SBITA Payable	0.6	0.8	0.1	0.1	0.7	0.9
Total	$ 182.4	$ 192.5	$ 631.3	$ 661.1	$ 813.7	$ 853.6

[1] The City implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in 2023 resulting in a restatement of beginning balances.

The City's total debt decreased by $39.9 million, or 4.7%, during the current fiscal year. The governmental activities' decreased by $10.1 million or 5.2% is due to scheduled debt payments totaling $20.1 million, offset by a new issuance of $8.0 million and new leases and subscriptions totaling $1.9 million. The business-type activities' overall decreased by $29.8 million or 4.5% is due to scheduled debt payments totaling $30.1 million, offset by new leases and subscriptions totaling $0.3 million.

The ratio of net bonded debt to assessed valuation and the amount of general bonded debt per capita are useful indicators of the City's debt position. This data for the City at September 30, 2023 was as follows:

Debt Ratios	General Obligation Bonded Debt Only
Debt Rations	
Debt Per Capita (estimated population 216,984 as of September 30, 2023)	$ 164
Debt to Assess Taxable Value of Property as of September 30, 2023 ($22,545,069,623)	0.16%

Additional information on the City's long-term debt and debt coverage can be found in Note 8: Long-term Liabilities and Note 13: Future Pledged Revenue.

Economic Factors and Next Year's Budget

The State of Florida operates primarily using sales taxes. Local governments (cities, counties, and school boards) rely primarily on property and a limited array of permitted other taxes (sales, gasoline, communication services, business licensing, etc.) and fees (franchise, impact, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments. Other sources of revenue for both the business-type and governmental activities are charges for service whereby the user pays a related fee or charge associated with the service. As the annual budget is developed, the resources available to support the City's operations are closely examined. A primary goal of the City is the continuation of current service levels.

The following factors were considered in preparing the City's budget for the 2024 fiscal year:

- A three-year rolling operating budget plan was used to develop the fiscal year 2024 budget, presenting fiscal years through 2026. Only fiscal year 2024 was formally approved by the City Council.
- The City's 2030 strategic plan, Cape Compass, served as the foundation for developing the 2024 operating budget and the 2024 – 2029 capital spending plans. The six strategic priorities are:
  - City Services and Amenities – Deliver exceptional City services and high-quality amenities.
  - Communication and Transparency – Cultivate an engaged and informed community and workforce.
  - Economy, education, and workforce – Create a community of prosperous residents, thriving neighborhoods, and successful businesses.
  - Fiscal Sustainability – Maintain a financially sound government and high-performing organization.
  - Infrastructure – Invest in resilient infrastructure.
  - Environmental Sustainability – Preserve Cape Coral's natural resources for current and future generations.
- The fiscal year 2024-2026 budget was adopted with an operating millage rate of 5.3694 and formulated to continue meeting the City's reserve requirements. This year's budget also addresses previously deferred maintenance while meeting the demand for services and new infrastructure. The Water and Sewer budget was prepared to support the continuing operations of the existing utility facilities including the water reclamation plants, reverse osmosis plants, and the existing collection, distribution, and transmission lines. The preparation of the annual budget is made in conjunction with the annual update of the rate sufficiency model that provides for annual rate changes required for the system.
- The stormwater utility fee is charged per equivalent residential unit (ERU). Based on the results of the Stormwater Cost Recovery study performed by an outside consultant, the rolling budget was adopted with an increase in the rate structure to $142 per ERU and will be re-examined annually. The prior year rate was $135.
- The City's Fire Service Assessment will increase from 62% to 70%, yielding an additional $12.7 million in revenue.
- Impact fees are planned to be used for a fire training facility (Fire Impact Fee reserves) and a police training facility (Police Impact Fee reserves). All other impact fee revenues will be used to satisfy annual debt requirements.

- Gas tax funds have been budgeted in accordance with revenue estimates provided by the State of Florida and will support local road resurfacing, signalization, and small-scale intersection improvements.
- Water, sewer, and irrigation utility capital expansion fees are used to pay for the expansion of the City's utility system including the cost of transmission lines. These fees are also used to pay applicable debt service and/or will be used to offset the borrowing requirements associated with the expansion of the utility plants and related facilities.
- Funds were awarded under the American Rescue Plan Act (ARPA) which are planned to be spent in fiscal years 2023 and 2024 to fund utility infrastructure improvements totaling $25 million.

Request for Information

The City's financial statements are designed to present users (citizens, taxpayers, customers, investors, and creditors) with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to the City of Cape Coral, Office of the City Clerk, 1015 Cultural Park Blvd., Cape Coral, FL 33990.


Cape Coral
FLORIDA

Basic Financial Statements



STATEMENT OF NET POSITION
September 30, 2023

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Cape Coral Charter School Authority
ASSETS				
Cash and investments	$ 364,152,301	$ 73,907,486	$ 438,059,787	$ 15,015,979
Interest receivable	917,076	237,102	1,154,178	-
Accounts receivable, net	3,034,407	12,131,431	15,165,838	-
Intergovernmental receivable	13,295,345	97,939	13,393,284	1,127,824
Note receivable	571,686	-	571,686	-
Lease receivable	4,908,344	-	4,908,344	-
Due from component unit	404,304	-	404,304	-
Internal balances	80,316	(80,316)	-	-
Inventories	162,433	6,564,434	6,726,867	-
Prepaid items	2,286,585	158,651	2,445,236	115,289
Unamortized bond insurance	2,473	234,658	237,131	-
Restricted:				
Cash and investments	-	184,425,071	184,425,071	-
Interest receivable	-	350,643	350,643	-
Accounts receivable, net	-	81,958	81,958	-
Intergovernmental receivable	-	5,873,183	5,873,183	-
Assessments receivable, net	-	1,655,650	1,655,650	-
Capital assets (net of depreciation and amortization):				
Land and construction in progress	242,642,568	150,217,416	392,859,984	-
Other capital assets, net of depreciation and amortization	263,762,382	986,612,495	1,250,374,877	6,023,171
Total assets	896,220,220	1,422,467,801	2,318,688,021	22,282,263
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding	5,562,331	18,880,979	24,443,310	-
Pension related	75,813,843	10,541,027	86,354,870	4,828,823
OPEB related	36,051,318	8,656,896	44,708,214	-
Total deferred outflows of resources	117,427,492	38,078,902	155,506,394	4,828,823
LIABILITIES				
Accounts payable and other accrued liabilities	20,557,798	15,130,791	35,688,589	1,158,730
Retainage payable	4,275,174	3,045,846	7,321,020	-
Accrued payroll	5,514,187	1,221,100	6,735,287	300,860
Accrued interest payable	-	692,560	692,560	-
Deposits	3,349,980	3,096,285	6,446,265	-
Intergovernmental payable	1,177,998	-	1,177,998	-
Unearned revenue	3,598,787	20,573,029	24,171,816	57,231
Due within one year:				
Leases payable	240,526	81,238	321,764	1,472,604
SBITA payable	293,991	43,338	337,329	60,975
Compensated absences	2,181,740	521,728	2,703,468	132,449
Claims liability	4,567,294	-	4,567,294	-
Bonds and notes payable	16,797,187	43,580,082	60,377,269	-
Due in more than one year:				
Compensated absences	12,946,848	3,026,595	15,973,443	695,363
Leases payable	758,287	142,736	901,023	2,967,156
SBITA payable	251,905	-	251,905	34,598
Claims liability	8,357,344	-	8,357,344	-
Total OPEB liability	204,081,125	49,005,396	253,086,521	-
Bonds and notes payable	164,029,200	587,461,092	751,490,292	-
Net pension liability	199,313,775	37,303,534	236,617,309	13,206,443
Total pension liability	1,240,114	-	1,240,114	-
Total liabilities	653,533,260	764,925,350	1,418,458,610	20,086,409
DEFERRED INFLOWS OF RESOURCES				
Pension related	7,297,916	443,643	7,741,559	823,465
OPEB related	81,875,387	19,660,494	101,535,881	-
Leases	4,854,096	-	4,854,096	-
Total deferred inflows of resources	94,027,399	20,104,137	114,131,536	823,465
NET POSITION				
Net investment in capital assets	330,817,296	510,260,888	841,078,184	1,487,838
Restricted for:				
General government	1,619,618	-	1,619,618	-
Public safety	19,436,303	-	19,436,303	-
Public works	66,174,446	-	66,174,446	-
Parks and recreation	8,774,814	-	8,774,814	-
Community development	8,727,209	-	8,727,209	-
Debt service	240,328	105,188,234	105,428,562	-
Deposits	-	2,683,787	2,683,787	-
Capital improvements	42,478,849	56,547,963	99,026,812	-
Renewal and replacement	-	11,546,079	11,546,079	-
Unrestricted	(212,181,810)	(10,709,735)	(222,891,545)	4,713,374
Total net position	$ 266,087,053	$ 675,517,216	$ 941,604,269	$ 6,201,212

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Unit: Cape Coral Charter School Authority
Primary government:								
Governmental activities:								
General government	$ 137,039,655	$ 21,476,272	$ 23,145,570	$ -	$ (92,417,813)	$ -	$ (92,417,813)	$ -
Public safety:								
Police	67,672,568	3,283,939	4,899,649	2,584,853	(56,904,127)	-	(56,904,127)	-
Fire	60,823,674	33,029,375	3,535,116	2,421,805	(21,837,378)	-	(21,837,378)	-
Building	22,435,338	12,977,615	87,127	-	(9,370,596)	-	(9,370,596)	-
Public works	46,854,347	27,209,244	66,143	17,581,815	(1,997,145)	-	(1,997,145)	-
Parks and recreation	27,385,293	6,655,154	1,288,875	5,746,710	(13,694,554)	-	(13,694,554)	-
Community development	5,266,206	1,261,682	7,313,210	-	3,308,686	-	3,308,686	-
Interest on long-term debt	6,196,304	-	-	-	(6,196,304)	-	(6,196,304)	-
Total governmental activities	373,673,385	105,893,281	40,335,690	28,335,183	(199,109,231)	-	(199,109,231)	-
Business-type activities:								
Water and sewer	135,938,198	108,742,622	992,174	60,280,508	-	34,077,106	34,077,106	-
Stormwater	17,047,954	24,050,199	182,354	284,420	-	7,469,019	7,469,019	-
Yacht basin	470,657	190,554	2,750	-	-	(277,353)	(277,353)	-
Total business-type activities	153,456,809	132,983,375	1,177,278	60,564,928	-	41,268,772	41,268,772	-
Total primary government	527,130,194	238,876,656	41,512,968	88,900,111	(199,109,231)	41,268,772	(157,840,459)	-
Component unit:								
Cape Coral Charter School Authority	32,205,705	1,710,267	6,826,849	1,749,271				(21,919,318)
General revenues:								
Taxes:								
Florida education finance program					-	-	-	25,026,102
Property taxes, levied for general purpose					117,285,495	-	117,285,495	-
Property taxes, levied for debt service					1,018,179	-	1,018,179	-
Property taxes, other (CRA and All Hazards)					3,097,775	-	3,097,775	-
Public service tax					15,235,484	-	15,235,484	-
Sales					31,999,585	-	31,999,585	-
Fuel					14,608,848	-	14,608,848	-
Alcohol and beverage					86,972	-	86,972	-
Communication					5,509,770	-	5,509,770	-
Franchise					10,749,377	-	10,749,377	-
Investment earnings (loss)					12,429,557	17,176,830	29,606,387	385,597
Gain on sale of capital assets					246,285	363,101	609,386	-
Transfers, net					3,843	(3,843)	-	-
Total general revenues and transfers					212,271,170	17,536,088	229,807,258	25,411,699
Change in net position					13,161,939	58,804,860	71,966,799	3,492,381
Net position - beginning					252,925,114	616,712,356	869,637,470	2,708,831
Net position - ending					$266,087,053	$675,517,216	$941,604,269	$ 6,201,212

The accompanying notes to the financial statements are an integral part of this statement

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2023

	General	Fire	Solid Waste	General Obligation	Other Governmental	Total Governmental Funds
ASSETS						
Cash and investments	$ 69,500,434	$ 8,919,539	$ 7,323,333	$ 10,259,687	$ 220,858,427	$ 316,861,420
Interest receivable	313,512	-	-	-	416,308	729,820
Accounts receivable, net	2,823,162	-	-	-	153,250	2,976,412
Intergovernmental receivable	10,595,118	399,247	75,248	-	2,630,037	13,699,650
Notes receivable	20,189	-	-	-	551,497	571,686
Lease receivable	312,426	-	-	-	4,595,918	4,908,344
Due from other funds	844,078	-	-	-	-	844,078
Advances to other funds	9,382,956	-	-	-	-	9,382,956
Inventories	162,433	-	-	-	-	162,433
Prepaid items	1,582,215	142,202	-	-	46,307	1,770,724
Total assets	95,536,523	9,460,988	7,398,581	10,259,687	229,251,744	351,907,523
LIABILITIES						
Accounts payable and other accrued liabilities	5,999,872	345,615	3,262,945	1,784,358	5,741,029	17,133,819
Accrued retainage	3,338,248	-	-	520,450	416,476	4,275,174
Accrued payroll	4,729,190	2,060,544	11,409	-	417,407	7,218,550
Due to other funds	-	-	-	-	844,078	844,078
Deposits	1,367,292	-	-	-	1,982,688	3,349,980
Intergovernmental payables	1,057,954	-	-	-	120,064	1,178,018
Unearned revenue	367,342	-	-	-	3,231,445	3,598,787
Advances from other funds	-	-	-	-	9,382,956	9,382,956
Total liabilities	16,859,898	2,406,159	3,274,354	2,304,808	22,136,143	46,981,362
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - grant reimbursement	1,778,536	207,235	-	-	587,189	2,572,960
Unavailable revenue - other	3,046,677	-	-	-	10,000	3,056,677
Unavailable revenue - lease	314,013	-	-	-	4,540,083	4,854,096
Total deferred inflows of resources	5,139,226	207,235	-	-	5,137,272	10,483,733
FUND BALANCES						
Nonspendable	11,127,604	142,202	-	-	46,307	11,316,113
Restricted	-	6,705,392	4,124,227	7,954,879	134,772,387	153,556,885
Committed	40,012,682	-	-	-	76,385,365	116,398,047
Assigned	22,397,113	-	-	-	-	22,397,113
Unassigned	-	-	-	-	(9,225,730)	(9,225,730)
Total fund balances	73,537,399	6,847,594	4,124,227	7,954,879	201,978,329	294,442,428
Total liabilities, deferred inflows of resources and fund balances	$ 95,536,523	$ 9,460,988	$ 7,398,581	$ 10,259,687	$ 229,251,744	$ 351,907,523

The accompanying notes to the financial statements are an integral part of this statement

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
September 30, 2023

Fund balances - total governmental funds		$ 294,442,428
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital assets	$ 781,890,778	
Accumulated depreciation	(277,181,647)	504,709,131
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		
Net position of internal service funds	$ 8,354,506	
Cross-over to enterprise funds	80,316	8,434,822
Unamortized bond insurance is not a current financial resources and therefore is not reported in the funds.		2,473
Deferred outflows of resources on the loss on refunding of debt are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		5,562,331
Deferred outflows of resources related to pension experience and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		73,387,362
Deferred inflows of resources related to pension earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(7,195,794)
Deferred outflows related to OPEB earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		33,636,091
Deferred inflows related to OPEB earnings, experience, and assumptions are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(76,390,215)
Other assets are not available to pay for current period expenditures and are reported as deferred inflows in the funds.		5,629,637
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as fund liabilities.		
Bonds, notes, leases and subscriptions payables	(181,554,425)	
Total OPEB liability	(190,408,884)	
Net pension liability	(190,726,728)	
Total pension liability	(1,240,114)	
Compensated absences	(12,201,062)	(576,131,213)
Total net position of governmental activities		$ 266,087,053

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	General	Fire	Solid Waste	General Obligation	Other Governmental	Total Governmental Funds
REVENUES						
Taxes	$ 168,496,686	$ 1,196,266	$ -	$ -	$ 19,149,156	$ 188,842,108
Special assessments	-	31,638,763	-	-	39,190	31,677,953
Licenses and permits	48,337	-	-	-	13,617,953	13,666,290
Franchise fees	10,749,377	-	-	-	-	10,749,377
Intergovernmental	28,623,608	1,006,874	9,821	-	7,935,254	37,575,557
Charges for services	19,244,646	955,775	21,329,253	-	4,944,302	46,473,976
Fines and forfeitures	904,526	-	-	-	84,688	989,214
Impact fees	-	-	-	-	27,734,498	27,734,498
Rent and royalties	348,262	172,669	-	-	1,872,932	2,393,863
Investment earnings (loss)	4,985,382	495,691	553,139	848,772	4,841,765	11,724,749
Contributions and donations	63,451	10	-	-	62,315	125,776
Other revenue	4,985,306	261,761	119,533	-	554,474	5,921,074
Total revenues	238,449,581	35,727,809	22,011,746	848,772	80,836,527	377,874,435
EXPENDITURES						
Current:						
General government	127,248,412	-	-	-	1,848,172	129,096,584
Public safety:						
Police	60,124,885	-	-	-	187,077	60,311,962
Fire	-	50,611,706	-	-	1,122,067	51,733,773
Building	-	-	-	-	12,995,500	12,995,500
Public works	15,581,296	-	21,227,020	-	4,586,067	41,394,383
Parks and recreation	20,390,662	-	-	-	602,270	20,992,932
Community development	6,621,586	-	-	-	2,996,639	9,618,225
Capital outlay	5,819,441	856,825	-	11,377,041	20,564,722	38,618,029
Debt service:						
Principal	1,303,400	-	-	-	17,853,611	19,157,011
Interest and fiscal charges	5,982	-	-	-	6,532,260	6,538,242
Bond issuance costs	-	-	-	-	41,000	41,000
Total expenditures	237,095,664	51,468,531	21,227,020	11,377,041	69,329,385	390,497,641
Excess revenues over (under) expenditures	1,353,917	(15,740,722)	784,726	(10,528,269)	11,507,142	(12,623,206)
OTHER FINANCING SOURCES (USES)						
Transfers in	3,804,490	30,357,216	-	-	78,235,133	112,396,839
Transfers out	(62,621,367)	(7,835,757)	-	-	(42,426,211)	(112,883,335)
Issuance of debt	-	-	-	-	8,000,000	8,000,000
Lease issuances	-	-	-	-	163,915	163,915
SBITA issuances	739,197	-	-	-	95,266	834,463
Proceeds on sale of capital assets	250,351	66,857	-	-	20,600	337,808
Total other financing sources (uses)	(57,827,329)	22,588,316	-	-	44,088,703	8,849,690
Net change in fund balances	(56,473,412)	6,847,594	784,726	(10,528,269)	55,595,845	(3,773,516)
Fund balances - beginning, as restated	130,010,811	-	3,339,501	18,483,148	146,382,484	298,215,944
Fund balances - ending	$ 73,537,399	$ 6,847,594	$ 4,124,227	$ 7,954,879	$ 201,978,329	$ 294,442,428

The accompanying notes to the financial statements are an integral part of this statement

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2023

Net change in fund balances - total governmental funds:		$ (3,773,516)
Amounts reported for governmental activities in the statement of net position are different because:		
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 expense. This is the amount by which capital exceeded depreciation in the current period.		
Capital outlay	$ 38,618,029	
Depreciation	(20,952,211)	17,665,818
The net effect on net position for various miscellaneous transactions involving capital assets (disposals, transfers, donations).		(33,565)
Certain revenues not considered available are not recognized in the governmental funds but are included in the statement of activities.		3,070,030
The issuance of debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of bond insurance costs, premiums, discounts, leases and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		
Principal payments - governmental funds	$ 19,157,011	
Issuance of debt, leases and SBITAs	(8,998,377)	
Unamortized bond insurance cost	(190)	10,158,444
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.		
Change in long-term compensated absences	$ (1,309,619)	
OPEB related	4,564,086	
Pension related	(22,053,521)	(18,799,054)
Internal service funds are used by management to charge the cost of certain activities to the individual funds.		4,531,845
Interest on long-term debt in the statement of activities is recognized as the interest accrues, regardless of when it is due. In the governmental funds, interest is recognized as an expenditure when it is due. Premiums, discounts, and other similar items are deferred and amortized in the statement of activities.		
Amortization of bond premiums, discounts, refunding gains and losses		341,937
Change in net position - governmental activities		$ 13,161,939

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
ASSETS					
Current assets:					
Cash and investments	$ 27,108,527	$ 45,324,438	$ 1,474,521	$ 73,907,486	$ 47,290,884
Interest receivable	121,123	109,340	6,639	237,102	187,256
Accounts receivable, net	12,055,410	52,031	23,990	12,131,431	57,995
Intergovernmental receivable	-	97,939	-	97,939	-
Inventories	6,564,434	-	-	6,564,434	-
Prepaid items	151,183	7,468	-	158,651	515,861
Restricted:					
Cash and investments	184,425,071	-	-	184,425,071	-
Interest receivable	350,643	-	-	350,643	-
Intergovernmental receivable	5,873,183	-	-	5,873,183	-
Assessments receivable, net	591,167	-	-	591,167	-
Total restricted assets	191,240,064	-	-	191,240,064	-
Total current assets	237,240,741	45,591,216	1,505,150	284,337,107	48,051,996
Noncurrent assets:					
Unamortized bond insurance	234,658	-	-	234,658	-
Restricted:					
Accounts receivable, net	81,958	-	-	81,958	-
Assessments receivable	1,064,483	-	-	1,064,483	-
Total restricted assets	1,146,441	-	-	1,146,441	-
Capital assets:					
Land	25,525,821	6,688,234	20,555	32,234,610	-
Buildings	387,672,856	1,916,446	76,695	389,665,997	907,624
Right to use - buildings	-	257,410	-	257,410	-
Improvements other than buildings	346,446,678	33,586,920	96,990	380,130,588	63,796
Equipment	32,985,726	10,542,648	41,710	43,570,084	2,793,998
Right to use - equipment	-	-	-	-	822,745
Infrastructure	920,787,924	18,220,819	286,049	939,294,792	-
Intangible computer software	-	-	-	-	705,245
SBITA	-	86,743	-	86,743	-
Construction in progress	111,370,218	6,612,588	-	117,982,806	100,587
Less accumulated depreciation	(731,181,066)	(34,971,053)	(241,000)	(766,393,119)	(3,698,176)
Total capital assets, net	1,093,608,157	42,940,755	280,999	1,136,829,911	1,695,819
Total noncurrent assets	1,094,989,256	42,940,755	280,999	1,138,211,010	1,695,819
Total assets	1,332,229,997	88,531,971	1,786,149	1,422,548,117	49,747,815
DEFERRED OUTFLOWS OF RESOURCES					
Loss on refunding	18,880,979	-	-	18,880,979	-
Pension related	8,167,105	2,321,363	52,559	10,541,027	2,426,481
OPEB related	6,464,451	2,150,286	42,159	8,656,896	2,415,227
Total deferred outflows of resources	33,512,535	4,471,649	94,718	38,078,902	4,841,708

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
PROPRIETARY FUNDS (continued)
September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
LIABILITIES					
Current liabilities:					
Accounts payable and other accrued liabilities	$ 14,128,143	$ 995,290	$ 7,358	$ 15,130,791	$ 3,423,963
Accrued retainage	3,001,933	43,913	-	3,045,846	-
Accrued payroll	931,604	289,496	-	1,221,100	361,789
Accrued interest payable	692,560	-	-	692,560	-
Deposits	3,076,285	-	20,000	3,096,285	-
Unearned revenue	20,573,029	-	-	20,573,029	-
Leases payable current	-	81,238	-	81,238	160,788
SBITA payable current	-	43,338	-	43,338	-
Compensated absences	379,874	141,854	-	521,728	115,588
Claims liability	-	-	-	-	4,567,294
Revenue bonds	4,995,000	-	-	4,995,000	-
Special assessment debt	8,450,000	-	-	8,450,000	-
Notes - direct borrowings	30,135,082	-	-	30,135,082	-
Total debt	43,580,082	-	-	43,580,082	-
Total current liabilities	86,363,510	1,595,129	27,358	87,985,997	8,629,422
Noncurrent liabilities:					
Compensated absences	2,316,635	709,960	-	3,026,595	745,786
Lease payable	-	142,736	-	142,736	655,883
Claims liability	-	-	-	-	8,357,344
Total OPEB liability	36,594,286	12,172,449	238,661	49,005,396	13,672,241
Net pension liability	28,902,489	8,215,044	186,001	37,303,534	8,587,047
Debt:					
Revenue bonds	330,251,200	-	-	330,251,200	-
Special assessment debt	21,283,473	-	-	21,283,473	-
Notes - direct borrowings	235,926,419	-	-	235,926,419	-
Total debt	587,461,092	-	-	587,461,092	-
Total noncurrent liabilities	655,274,502	21,240,189	424,662	676,939,353	32,018,301
Total liabilities	741,638,012	22,835,318	452,020	764,925,350	40,647,723
DEFERRED INFLOWS OF RESOURCES					
Pension related	343,731	97,700	2,212	443,643	102,122
OPEB related	14,681,276	4,883,470	95,748	19,660,494	5,485,172
Total deferred inflows of resources	15,025,007	4,981,170	97,960	20,104,137	5,587,294
NET POSITION					
Net investment in capital assets	467,349,130	42,630,760	280,998	510,260,888	1,535,031
Restricted for:					
Debt service	105,188,234	-	-	105,188,234	-
Deposits	2,683,787	-	-	2,683,787	-
Capital improvements	56,547,963	-	-	56,547,963	-
Renewal and replacement	7,249,983	4,188,289	107,808	11,546,079	-
Unrestricted	(29,939,584)	18,368,084	942,081	(10,629,419)	6,819,475
Total net position	$ 609,079,513	$ 65,187,132	$ 1,330,887	$ 675,597,532	$ 8,354,506
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.				(80,316)	
Net position of business-type activities				$ 675,517,216	

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
OPERATING REVENUES					
Charges for services	$ 106,813,359	$ 23,936,399	$ 166,523	$ 130,916,281	$ 60,104,525
Other revenue	1,929,263	113,800	24,031	2,067,094	4,619,420
Total operating revenues	108,742,622	24,050,199	190,554	132,983,375	64,723,945
OPERATING EXPENSES					
Salaries, wages and employee benefits	28,867,979	9,216,568	200,250	38,284,797	15,919,682
Contractual services, materials and supplies	39,147,776	5,413,816	239,661	44,801,253	15,891,171
Claims and claims adjustments	-	-	-	-	30,878,342
Depreciation	43,491,695	2,636,757	24,114	46,152,566	251,855
Total operating expenses	111,507,450	17,267,141	464,025	129,238,616	62,941,050
Operating income (loss)	(2,764,828)	6,783,058	(273,471)	3,744,759	1,782,895
NONOPERATING REVENUES (EXPENSES)					
Non-capital federal & state grants	992,174	182,354	2,750	1,177,278	191,650
Investment earnings (loss)	15,951,180	1,176,587	49,063	17,176,830	704,808
Rents & Royalties	-	-	-	-	46,876
Interest expense	(19,331,513)	(1,874)	-	(19,333,387)	(5,302)
Debt service costs	(3,561,227)	-	-	(3,561,227)	(35,000)
Gain (loss) on sale of capital assets	73,751	289,350	-	363,101	32,000
Total nonoperating revenues (expenses)	(5,875,635)	1,646,417	51,813	(4,177,405)	935,032
Income (loss) before contributions and transfers	(8,640,463)	8,429,475	(221,658)	(432,646)	2,717,927
Capital contributions					
Capital grants	12,820,595	-	-	12,820,595	-
Special assessments	37,598,674	-	-	37,598,674	-
Developer contributions	1,029,277	284,420	-	1,313,697	-
Impact fees and contribution in aid of construction	8,831,962	-	-	8,831,962	-
Total capital contributions	60,280,508	284,420	-	60,564,928	-
Transfers					
Transfers in	1,083,238	442,197	-	1,525,435	490,339
Transfers out	(95,084)	(1,434,194)	-	(1,529,278)	-
Total transfers	988,154	(991,997)	-	(3,843)	490,339
Change in net position	52,628,199	7,721,898	(221,658)	60,128,439	3,208,266
Total net position - beginning	556,451,314	57,465,234	1,552,545	615,469,093	5,146,240
Total net position - ending	$ 609,079,513	$ 65,187,132	$ 1,330,887	$ 675,597,532	$ 8,354,506
Change in net position of business-type activities				$ 60,128,439	
Adjustments to reflect the consolidation of internal service fund activities related to enterprise funds.				(1,323,579)	
Change in net position of business-type activities				$ 58,804,860	

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash received from customers	$ 103,862,711	$ 23,975,926	$ 168,713	$ 128,007,350	$ 64,741,313
Cash payments for claims	-	-	-	-	(29,891,418)
Cash payments to suppliers	(26,772,388)	(3,364,154)	(190,300)	(30,326,842)	(18,468,347)
Cash payments to employees	(31,962,644)	(9,845,620)	(173,291)	(41,981,555)	(10,106,513)
Cash payments for interfund services	(8,439,102)	(1,342,385)	(49,707)	(9,831,194)	-
Net cash provided (used) by operating activities	36,688,577	9,423,767	(244,585)	45,867,759	6,275,035
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Debt issuance cost	-	-	-	-	(35,000)
Non-Capital Federal & State Grants	992,174	182,354	2,750	1,177,278	191,650
Transfers in	1,083,238	442,197	-	1,525,435	490,339
Transfers out	(95,084)	(1,434,194)	-	(1,529,278)	-
Net cash provided (used) by noncapital financing activities	1,980,328	(809,643)	2,750	1,173,435	646,989
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition and construction of capital assets	(55,750,822)	(2,838,444)	-	(58,589,266)	(470,580)
Proceeds on sale of capital assets	148,125	289,350	-	437,475	32,000
Capital grants	7,046,550	-	-	7,046,550	-
Principal payments on long-term debt	(28,748,512)	-	-	(28,748,512)	-
Capitalized interest	-	(1,874)	-	(1,874)	-
Collection of special assessments	40,915,208	-	-	40,915,208	-
Impact fees	7,058,863	-	-	7,058,863	-
Contribution in aid of construction	1,781,626	-	-	1,781,626	-
Interest paid	(19,189,064)	-	-	(19,189,064)	-
Debt service costs	(3,520,373)	-	-	(3,520,373)	-
Net cash used by capital and related financing activities	(50,258,399)	(2,550,968)	-	(52,809,367)	(438,580)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Investment Earnings	12,060,445	1,093,237	44,697	13,198,379	548,526
Net cash provided by investing activities	12,060,445	1,093,237	44,697	13,198,379	548,526
Net increase (decrease) in cash and investments	470,951	7,156,393	(197,138)	7,430,206	7,031,970
Cash and investments - beginning	211,062,647	38,168,045	1,671,659	250,902,351	40,258,914
Cash and investments - ending	$ 211,533,598	$ 45,324,438	$ 1,474,521	$ 258,332,557	$ 47,290,884
CLASSIFIED AS:					
Cash and investments	$ 27,108,527	$ 45,324,438	$ 1,474,521	$ 73,907,486	$ 47,290,884
Restricted cash and investments	184,425,071	-	-	184,425,071	-
Total cash and investments	$ 211,533,598	$ 45,324,438	$ 1,474,521	$ 258,332,557	$ 47,290,884

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (continued)
For the Year Ended September 30, 2023

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	$ (2,764,828)	$ 6,783,058	$ (273,471)	$ 3,744,759	$ 1,782,895
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:					
Depreciation expense	43,491,695	2,636,757	24,114	46,152,566	251,855
(Increase) decrease in assets:					
Accounts receivable, net	(46,534)	(32,682)	(21,472)	(100,688)	17,368
Accounts receivable, leases	-	-	44,700	44,700	-
Intergovernmental receivable	-	(41,592)	-	(41,592)	-
Inventories	(2,616,479)	-	-	(2,616,479)	-
Prepaid items	(92,898)	(6,311)	-	(99,209)	327,439
(Increase) decrease in deferred outflows:					
Pension related	7,100,467	2,055,478	29,636	9,185,581	856,153
OPEB related	3,458,448	1,068,692	14,315	4,541,455	276,466
Increase (decrease) in liabilities:					
Accounts payable and other accrued liabilities	6,645,666	713,588	(345)	7,358,909	(417,034)
Accrued payroll	(542,188)	(71,342)	(6,308)	(619,838)	64,365
Compensated absences	110,052	62,958	(10,360)	162,650	264,781
Total OPEB liability	(18,687,277)	(5,760,834)	(75,965)	(24,524,076)	(1,323,477)
Net pension liability	(4,922,658)	(1,481,802)	3,901	(6,400,559)	1,314,413
Claims liability	-	-	-	-	(1,500,662)
Deposits	358,575	-	-	358,575	-
Unearned revenue	(5,191,953)	-	-	(5,191,953)	-
Increase (decrease) in deferred inflows:					
Leases	-	-	(45,072)	(45,072)	-
Pension related	(205,282)	(59,689)	(744)	(265,715)	(15,919)
OPEB related	10,593,773	3,557,488	72,485	14,223,746	4,376,392
Total adjustments	39,453,407	2,640,709	28,885	42,123,001	4,492,140
Net cash provided (used) by operating activities	$ 36,688,579	$ 9,423,767	$ (244,586)	$ 45,867,760	$ 6,275,035

Supplemental disclosure of noncash investing, capital, and financing activities:

Water and Sewer increase in fair value of investments of $6,365,078.

Water and Sewer recognized $1,029,277 in developer contributions.

Water and Sewer had $3,129,487 of capital-related accounts payable.

Stormwater decrease in fair value of investments of $130,498.

Stormwater recognized $284,420 in developer contributions.

Stormwater entered into a lease in the amount of $257,410.

Yacht Basin increase in fair value of investments of $17,513.

Internal Service Funds decrease in fair value of investments of $485,476.

Internal Service Funds entered into a lease in the amount of $858,245.

The accompanying notes to the financial statements are an integral part of this statement

STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	Pension Trust Funds
ASSETS	
Cash and cash equivalents	$ 23,453,129
Receivables:	
Member contributions	3,750
Employer contributions	112,912
Due from brokers	355,323
Interest receivable	686,594
Total receivables	1,158,579
Securities purchased in transit	4,000,000
Investments, at fair value:	
Certificates of deposit	587,853
US Government Obligations and Federal Agency Guaranteed Securities	12,434,174
Mortgage Backed Securities	12,599,314
Collateralized Mortgage Obligations	2,065,828
Corporate Bonds	6,959,959
Foreign Bonds	1,102,341
Stocks	139,377,941
Mutual and ETF funds:	
Equity	176,384,692
Balanced	32,130,069
Fixed income	77,339
Pooled/common/commingled funds/partnerships:	
Fixed income	96,975,635
Equity	101,199,211
Private Equity	89,234,318
Private Credit	5,715,537
Real Estate	125,341,777
Farmland	16,831,892
Multi-Asset Class Solutions (MACS)	12,400,452
Infrastructure	30,135,083
Total investments	861,553,415
Total assets	890,165,123
LIABILITIES	
Accounts payable	649,650
Due to broker for securities purchased	472,487
Member contributions payable	154,970
Prepaid contributions	11,361
Total liabilities	1,288,468
NET POSITION RESTRICTED FOR PENSIONS	$ 888,876,655

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2023

	Pension Trust Funds
ADDITIONS	
Contributions:	
Employer	$ 36,614,077
Plan members	11,892,579
Member buybacks	190,409
State of Florida	4,568,891
Total contributions	53,265,956
Investment income (expenses)	
Investment income	22,210,895
Net appreciation (depreciation) in fair value of investments	55,011,209
Less: investment expenses	(2,603,406)
Net Investment Income (Loss)	74,618,698
Total additions	127,884,654
DEDUCTIONS	
Benefits and refunds	48,577,477
Administrative expenses	668,251
Total deductions	49,245,728
Net increase in net position	78,638,926
Net position - beginning	810,237,729
Net position - ending	$ 888,876,655

The accompanying notes to the financial statements are an integral part of this statement


Cape Coral
FLORIDA

Notes to Financial Statements



NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

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NOTES TO THE FINANCIAL STATEMENTS

NOTE I. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Organization

The City of Cape Coral, Florida (the City) was incorporated in 1970 pursuant to the laws of Florida, Chapter 70-623. The City operates under the Council-Manager form of government, which is comprised of an elected City Council (eight members) including an elected Mayor, and a City Manager appointed by the City Council. The City provides the following services: public safety (police, fire, building and code enforcement), recreation, cultural, community development, transportation, planning and zoning, water, wastewater, reclaimed water services, stormwater utility services, and general administrative services.

For financial reporting purposes, the accompanying financial statements include all the operations of the City for which the City is financially accountable. The City is financially accountable for organizations that make up its legal entity, as well as legally separate organizations that meet certain criteria. The criteria for inclusion in the reporting entity entails those cases where the City or its officials appoint a voting majority of an organization's governing body and is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits or burdens to the City.

The blended component unit, although a legally separate entity, in substance, is part of the government's operations. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended component unit. The Cape Coral Community Redevelopment Agency (CRA) was created in 1986 by Ordinance 51-87 of the City of Cape Coral, Florida, pursuant to Section 163.356 of the Florida Statutes. The City Council appoints the CRA's Board of Directors. The CRA provides services for the benefit of the City. The CRA's projects result in capital assets (mainly infrastructure) being owned by the City. The CRA's transactions are recorded and reported by the City. Also, beginning with fiscal year 2020, the CRA will issue a separate annual financial report for the CRA's operations. The financial statements for the CRA may be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

Discretely presented component unit. The Cape Coral Charter School Authority (Authority) was created for the purpose of operating and managing, on behalf of the City, all charter schools for which a charter is held by the City. The powers of the Authority are exercised through a governing board, known as the Cape Coral Charter School Authority Board, which provides governance of the charter schools. There are ten (10) members of the governing board. The members of the Board are as follows: A City Councilmember, a member from the business community, a member from the education community, and three (3) members from the community at large that shall be appointed by the City Council. Parent members from each school shall be chosen by and from parent organizations. The positions on the board for parents from each charter school are considered to be "ex officio" and one non-voting member. According to Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus,* the Authority is reported as a discretely presented component unit because it is legally separate, the City Council appoints a majority of the Authority's board members, and the City can modify and approve the Authority's budget. In addition, all debt issuances must be approved by the City Council.

The Cape Coral Charter School Authority was audited by independent auditors for the fiscal year ended June 30, 2023, and their report dated October 12, 2023, was previously issued under separate cover. The financial statements for the Authority may be obtained through the Financial Services Department of the City of Cape Coral, 1015 Cultural Park Blvd., Cape Coral, FL 33990.

2. Related Organization

The City's officials are responsible for appointing the members of the Board of the City of Cape Coral Health Facilities Authority. The City's accountability for this organization does not extend beyond making these appointments; therefore, there is no blended or discrete financial presentation for this entity.

3. Summary of Significant Accounting Policies

The financial statements of the City have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Basic Financial Statements

The basic financial statements include both government-wide (based on the City as a whole) and fund financial statements along with the notes to the financial statements. The focus of the financial statements is on either the City as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements (within the basic financial statements) categorize primary activities as either governmental or business-type. In the Statement of Net Position, both the governmental and business-type activities columns are reflected on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations. Government-wide financial statements report information on all of the non-fiduciary activities of the City.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function (Public Safety, Parks and Recreation, etc.). Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Statement of Activities reflects both the gross and net costs per function (Public Safety, Parks and Recreation, etc.) which are otherwise being supported by general government revenues (property taxes, franchise fees, gas taxes, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. The program revenues must be directly associated with the function.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer, stormwater, and various other functions of the government.

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The emphasis of the fund financial statements is on the major funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns and the nonmajor funds are summarized into a single column.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Since the fiduciary funds' assets are being held for the benefit of a third-party (other local governments and other entities) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented which briefly explains the adjustments necessary to transform the fund based financial statements into the governmental activities of the government-wide presentation.

The focus of the GASB Statement No. 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, is on the City as a whole and the fund financial statements. The focus of

the fund financial statements is on the major funds of the governmental and business-type activities. Each presentation provides valuable information that can be analyzed to enhance the usefulness of the information.

Basis of accounting refers to when revenue and expenditures/expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis of accounting.

A. Accrual:

Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund that include charges for services and user fees. Operating expenses represent the cost of operations, which includes depreciation. Non-operating revenues and expenses are not related to the operations of the proprietary fund and include interest earnings and gain and loss on sale of capital assets.

B. Modified Accrual:

Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e. both measurable and available). "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year-end. Primary revenue sources that have been treated as susceptible to accrual include intergovernmental revenue, franchise fees, communication taxes and charges for services, when material. Property taxes are accounted for when measurable and available as described in Note II. Grant revenue is considered earned and is accrued when all eligibility requirements are met.

In applying the "susceptible to accrual" concept to intergovernmental revenues pursuant to GASB Statement No. 33, Accounting and Financial Reporting for Non-exchange Transactions (the City may act as either provider or recipient), the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met. Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and unearned revenue by the recipient.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, as under accrual accounting. Exceptions to this general rule include principal and interest on general obligation long-term debt, as well as expenditures related to compensated absences and claims and judgments which are recognized when due.

Basis of Presentation

The financial transactions of the City are recorded in individual funds. The operations for each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity/net position, revenues, and expenditures/expenses. Resources are allocated to and accounted for in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

GASB No. 34 sets forth minimum criteria (percentage of assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City's major funds are presented in separate columns on the governmental fund financial statement and the proprietary fund financial statement. The funds that do not meet the criteria of a major fund are considered nonmajor funds and are combined into a single column in the fund financial statements and detailed in the combining section.

The following major funds are used by the City:

A. Governmental Funds:

The focus of Governmental Fund measurement (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The following is a description of the major Governmental Funds of the City:

a. **General Fund** is the general operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.
b. **Fire Fund** is used to account for the City's collection of the Fire Service Assessment, operations of the City Fire Department and Fire Grants.
c. **Solid Waste** is used to account for the City's collection and payment of solid waste fees.
d. **General Obligation Fund** is used to account for parks capital projects paid for by general obligation debt.

B. Proprietary Funds:

The City of Cape Coral maintains two different types of proprietary funds: enterprise funds and internal service funds. Enterprise funds are used to account for activity for which a fee is charged to external users for goods or services. In the government-wide financial statements the enterprise funds are presented as business-type activities. Internal service funds are used to account for activity that provide goods or services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis. Five internal service funds are utilized: 1) The Risk Management Fund is used to account for the City's risk management activity for workers compensation, auto liability, property and contents losses, and general liability. 2) The Facilities Management Fund is used to account for the costs of operation for the repair and maintenance of city owned/leased buildings. 3) The Fleet Management Fund is used to account for the costs of operation for the repair and maintenance of city owned/leased vehicles and equipment. 4) The Self-Funded Health Insurance Fund is used to account for the self-funded medical insurance plan. 5) The Project Management Fund is used to account for the costs of managing capital projects citywide. The internal service funds have been included within governmental-type activities in the government-wide financial statements because they primarily benefit governmental funds.

The focus of proprietary fund measurement is based upon determination of operating income, changes in net position, financial position, and cash flows, which is similar to businesses.

The following is a description of the major proprietary funds of the City:

a. **Water and Sewer Fund** is used to account for the activities of the City's water and sewer utility programs. This includes special assessments, impact fees, contribution in aid of construction (CIAC), capital facility expansion charge (CFEC), etc. Activity for only water and sewer operations can be found in Note 12: Segment Information.
b. **Stormwater Fund** is used to account for the activities of the City's stormwater drainage program in compliance with the Environmental Protection Agency, and local and state regulations.

C. Other Funds:

Additionally, the City reports the following funds:

a. **Pension Trust Funds** are used to account for three defined benefit plans which accumulate resources for pension benefit payments to its employees/retirees.

Assets, Liabilities and Net Position or Equity, Revenues, and Expenditures/Expenses

A. Cash and Investments

The City maintains a cash and investment pool for use by all City funds, excluding pension funds. Each fund type's portion of this pool is displayed on the combined balance sheet as cash and equity in pooled cash and investments. Investment earnings (which include realized and unrealized gains and losses as well as interest income) are distributed monthly to the respective funds based on the fund's cash balance. The investment earnings on the City's equity in pooled cash and investments are reported as part of the investing activities in the Statement of Cash Flows.

The City participates in three local government investment pools (LGIP), FL Prime administered by the Florida State Board of Administration (SBA), FL Class administered by Public Trust Advisors, and FL Asset Fund Trust (FLSAFE) administered by PMA Financial Network, LLC. The SBA was created by Section 218.405, Florida Statutes and FL Safe and FL Class were created pursuant to Florida Statutes 163.01.

Detailed information on allowable investments and actual holdings can be found in the detailed notes section under cash and investments.

B. Receivables

During fiscal year 2023, numerous transactions occurred between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." Any balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

Accounts Receivable - The General Fund accounts receivable includes gas, electric and solid waste franchise fees, public service tax, and other miscellaneous receivables. The other governmental funds accounts receivable includes false alarms, lot mowing assessments, and miscellaneous receivables.

Assessments Receivable - the City levies a special assessment against benefited property owners for construction of water, wastewater, and irrigation utility extension in certain areas of the City. In addition, the City levies a fire services assessment to fund fire-rescue services. The City utilizes the uniform collection method for collecting the assessments. The receivable reported is the assessment amount that has a lien and is unpaid. There are no unbilled receivables for governmental activities and $289,945,031 for business-type activities.

Intergovernmental Receivable - The General Fund intergovernmental receivable includes communication service tax, half cent tax, recycling revenues, police task force reimbursements, occupational tax, alcoholic beverage license fees, state fuel tax rebate, and property tax revenues. Intergovernmental receivables also include grant reimbursements from the Florida Department of Transportation, Florida Department of Emergency Management, Florida Medicaid reimbursement for special populations, and other granting agencies, and a receivable from component unit – Cape Coral Charter School Authority, on September 30, 2023, of $404,304.

Lease Receivable - The General Fund lease receivable includes annual leases for land, building and infrastructure.

The other governmental funds intergovernmental receivables are for pending receipt of the August and September 2023 fuel tax collections, and collections due from the Lee County Tax Collector and the Lee County Clerk of Courts.

All trade receivables are reported net of an allowance for uncollectible amounts. Uncollectible amounts are defined as any account that is greater than or equal to 120 days delinquent from the general ledger date. Additionally, 1% of receivables less than 120 days are considered uncollectible.

Noncurrent portions of interfund receivables classified as advances between funds, as reported in the fund financial statements, are classified as non-spendable fund balance amount in applicable governmental

funds which indicates that they do not constitute expendable available financial resources, and therefore, are not available for appropriation.

C. Inventories and Prepaid Items

Inventories, consisting primarily of expendable supplies held for consumption, are stated at either weighted average or cost (first-in, first-out method). The City utilizes the consumption method of accounting, which provides that expenditures are recognized when inventory is used. The General Fund maintains inventories for fuel, restaurant and food supplies, and items for resale. The water and sewer fund maintains inventories of materials and parts.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

D. Capital Assets

Capital assets include property, buildings, improvements other than buildings, equipment, infrastructure, and certain intangible assets. Infrastructure assets are defined as public domain capital assets such as roads, bridges, sidewalks, traffic signals, and similar items that are immovable and of value only to the governmental unit. Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities columns, as well as the proprietary fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or more and a useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated acquisition 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 but are expensed as incurred.

Capital assets are depreciated using the straight-line method over the estimated useful lives of the related assets. The ranges of the useful lives are as follows:

Asset	Years
Buildings	20-40
Improvements other than buildings	10-20
Equipment	3-10
Intangibles	3
Infrastructure	
Traffic signals	15
Parking Lots	20
Roads	30
Sidewalks	30
Bridges	40
Utility extension lines	40

E. Leases and Subscription-based Information Technology Arrangements (SBITA)

Leases: The City is a lessee for noncancellable leases of buildings and equipment. The City recognizes a lease liability and an intangible right-to-use leased asset in the government-wide financial statements. Leased assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain

initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the City is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the City would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are initially measured using the index or rate as of the commencement of the lease term.

Subscription-based Information Technology Arrangements (SBITA): The City has entered into Subscription-Based Information Technology Arrangements with various software providers. In May 2020, GASB introduced a new standard, Statement No 96 *Subscription-based Information Technology Arrangements*. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases,* as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The subscription term includes the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will *not* exercise that option).

Under this Statement, the City recognizes a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability at the commencement of the subscription term, when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges the City, which may be implicit, or the City's incremental borrowing rate if the interest rate is not readily determinable. The City recognizes amortization of the discount on the subscription liability as an outflow of resources (interest expense) in subsequent financial reporting periods.

F. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditures) until then.

In addition to liabilities, the Statement of Net Position includes a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

The City has the following deferred outflows/inflows:

- Deferred charge (gain/loss) on refunding - reported in the government-wide statements of net position. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price, and amortized over the shorter of the life of the refunded or refunding debt.
- Unavailable revenue - the sources of unavailable revenue are related to grant reimbursements. These amounts are deferred and recognized as inflow of resources in the period that the amounts become available.
- Leases – deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date, recognizing the deferred revenue over the term of the lease.
- Pension Investment earnings - difference between projected and actual earnings on investments. These amounts will be recognized as reductions in pension expense in future years.
- Pension and OPEB Experience - differences between expected and actual experience with regard to economic or demographic factors. These amounts are amortized to pension and OPEB expense over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions.
- Pension and OPEB Assumptions - changes in actuarial assumptions about future economic or demographic factors.
- Pension and OPEB benefit payments subsequent to measurement date.

G. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused paid time off benefits, which will be paid to employees upon separation from City service if they meet certain criteria. Compensated absences are accrued and reported in the proprietary funds and governmental-wide financial statements; and is a reconciling item between the governmental funds and the government- wide presentation.

H. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. At fiscal year-end, $13,672,241 of internal service funds total OPEB liability is included in the governmental activities total. The remainder of the total OPEB liability in the governmental activities is generally liquidated by the general fund. At fiscal year-end, $8,587,047 of internal service funds net pension liability is included in the governmental activities total. The remainder of the net pension liability in the governmental activities is generally liquidated by the general fund.

I. Bond Discounts/Premiums, Issuance Costs, and Insurance Costs

In governmental funds the face amount of debt issued is reported as other financing sources. Issuance costs, bond premiums and discounts, whether withheld from the actual debt proceeds received, are reported as other financing sources (uses).

In the government-wide financial statements and proprietary funds, bond premiums and discounts, and bond insurance costs, are amortized over the life of the bonds using the straight-line method, which does not result in a material difference from the effective interest method. The deferred gain and loss are amortized over the shorter of the original life or the life of the new debt. The face amount of the debt issued is reported net of bond premiums and discounts whereas insurance costs are recorded as other assets.

J. Utility Capital Expansion Fee

The City utilizes utility capital expansion fees as a means for funding capital expansion required to meet system demands resulting from growth. These fees are recorded as capital contributions revenue in the proprietary funds when charged.

K. Special Assessments

The City levies the following special assessments against benefited property owners: governmental activities include fire rescue, lot mowing and solid waste services; and business-type activities include construction of water, wastewater, irrigation utility extension and stormwater fees.

L. Unearned Revenue

Unearned revenue recorded in the General Fund relates to planned development project fees and planning and zoning fees collected at time of application that are not earned until next fiscal year, school resource officer contracts, and tower lease payments.

Unearned revenue recorded in the other governmental funds relate to: fees collected at permit issue date for residential and commercial construction that are not earned until next fiscal year, lot mowing fees, golf memberships and prepaid fees, prepayment of parks and recreation class registration fees, special events and memberships, and business taxes.

Unearned revenue recorded in the water and sewer enterprise fund is related to funds received from the American Rescue Plan Act (ARPA) that will be used in fiscal year 2024 to fund utility infrastructure improvements.

M. Intergovernmental Allocation of Administrative Expenses

The General Fund incurs certain administrative expenses for other funds, including accounting, legal, data processing, personnel administration, and other services. The governmental funds that received these services were charged $2,258,478 for fiscal year 2023. These amounts are eliminated in the Statement of Activities. The enterprise funds that received these services were charged $6,291,264 for fiscal year 2023. These amounts are recorded as revenue in the General Fund and operating expenses in the enterprise funds.

N. State Pension Contributions

The State of Florida makes contributions from taxes on casualty insurance premiums. The State of Florida's contribution to the Municipal Police Officers' Plan for the year ended September 30, 2023 was $2,285,409. The State of Florida's contribution to the Municipal Firefighters' Plan for the year ended September 30, 2023 was $2,283,482. The City recognized these on-behalf payments from the state as revenues and expenditures in the governmental fund financial statements.

O. Fund Balance

Beginning with fiscal year 2011, the City implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints.

Non-Spendable Fund Balance - Amounts that are (a) not in spendable form or (b) legally or contractually required to be maintained intact. "Not in spendable form" includes items that are not expected to be converted to cash (such as inventories and prepaid amounts) and items such as the long-term amount of loans, notes receivable and advances, as well as property acquired for resale.

Restricted Fund Balance - Amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance - Amounts that can be used only for the specific purposes determined by a formal action of the City Council, the City's highest level of decision-making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint originally, which is by resolution.

Assigned Fund Balance - Portion that reflects a government's intended use of resources. Such intent must be established by the Finance Director pursuant to the Financial Management Policies (Resolution 210-22) approved by City Council. Assigned fund balance also includes spendable fund balance amounts established by management of the City that are intended to be used for specific purposes that are neither considered restricted nor committed.

Unassigned Fund Balance - Unassigned fund balance is the residual classification for the General Fund. This classification represents a fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Unrestricted Fund Balance - The total of committed fund balance, assigned fund balance, and unassigned fund balance.

The City spends restricted amounts first when both restricted and unrestricted fund balance are available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

In the General Fund, the City strives to maintain a committed balance of two months, with a goal of three months operating expenditures of the General Fund. This is the target that the committed fund balance should not fall below without establishing a replenishment plan. Detailed information on fund balances can be found in Note IV - 11: Fund Balances.

P. Net Position

Net position of the government-wide and proprietary funds is categorized as net investment in capital assets, restricted or unrestricted. The first category represents net position related to capital assets which includes capital assets net of depreciation, debt payable, retainage payable, construction related accounts payable, unspent debt proceeds and deferred outflows of resources related to debt refunding. The restricted category represents the balance of assets restricted by requirements of revenue bonds and other externally imposed constraints or by legislation in excess of the related liabilities payable from restricted assets. The unrestricted net position category represents all other net position that does not meet the definition of "restricted" or "net investment in capital assets." When both restricted and unrestricted resources are available for use, it is the City's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

Q. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

R. Restatement of Prior Year's Net Position and Fund Balance

Effective October 1, 2022, the City reclassified the Parks and Recreation, Waterpark and Golf Course funds from Special Revenue Funds to the General Fund. The funds no longer meet the criteria established in GASB statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and

Local Governments and Governmental Accounting, Auditing and Financial Reporting (GAAFR) that required the funds to be recorded as special revenue funds.

	Fund Statements	
	General	Other Governmental
Fund balance	$ 123,911,278	$ 152,482,017
Restatement:		-
Parks and Recreation Fund	3,416,631	(3,416,631)
Waterpark Fund	1,126,653	(1,126,653)
Golf Course Fund	1,556,249	(1,556,249)
Restated fund balance	$ 130,010,811	$ 146,382,484

S. Revenue Recognition – Grants

The principal types of grants and financial assistance received by the City are described below, along with the associated revenue recognition criteria.

- Expenditure - Driven Grants (reimbursement grants) – Based on grant availability, revenue should be recorded when qualifying expenditures have been incurred and any additional grant requirements have been met (e.g., matching, maintenance of effort, etc.).
- Entitlement and Shared Revenues (formula grants) – Revenue should be recorded as soon as it is measurable and available, and all eligibility criteria have been met. Revenues should only be recognized for the period they are intended to finance. Entitlements and shared revenues that are collected in a fiscal year before the fiscal year they are intended to finance should not be reported as revenue but should rather be reported as deferred revenue.
- Pass-Through Grants – The City may receive grants or other financial assistance to transfer or spend on behalf of other, secondary recipients. Revenue should be recognized when all eligibility requirements have been met and the resources become available which typically is considered to occur when the resources are, in fact, transmitted to their intended final recipient.

T. Change in Accounting Principle

During the fiscal year ended September 30, 2023, the City implemented GASB Statement No. 96 *Subscription-based Information Technology Arrangements* (SBITA). In May 2020, GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements. Under this Statement, a government generally should recognize a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability. A government should recognize the subscription liability at the commencement of the subscription term, when the subscription asset is placed into service. The subscription liability should be initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments should be discounted using the interest rate the SBITA vendor charges the government, which may be implicit, or the government's incremental borrowing rate if the interest rate is not readily determinable. A government should recognize amortization of the discount on the subscription liability as an outflow of resources (for example, interest expense) in the subsequent financial reporting periods. The subscription asset should be initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. A government should recognize amortization of the subscription asset as an outflow of resources over the subscription term. This pronouncement did not require the restatement of the September 30, 2022 net position.

NOTE II. PROPERTY TAXES

Property taxes are levied on November 1st of each year and are due and payable upon receipt of the notice of levy. The Lee County, Florida Tax Collector's office bills and collects property taxes on behalf of the City. The total

tax rate of 5.4165 mills per $1,000 of assessed taxable property value consists of 5.3694 mills to finance general governmental services and 0.0471 mills to finance the debt service for the General Obligation Bond approved for acquisition, construction and equipping various parks for the fiscal year ended September 30, 2023. Property tax revenue is recognized in the fiscal year for which the taxes are levied. On May 1st of each year, unpaid taxes become a lien on the property. The past due tax certificates are sold at public auction prior to June 1st, and the proceeds collected are remitted to the City.

No accruals for the property tax levy becoming due in November 2023 are included in the accompanying financial statements since such taxes are levied for the subsequent fiscal year and are not considered earned or available on September 30, 2023.

NOTE III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

1. Compliance with Finance-Related Legal and Contractual Provisions

City management believes that the City is in compliance with finance-related legal and contractual provisions.

2. Deficit Fund Balance/Net Position

The following individual funds had deficit fund balances as of September 30, 2023:

Fund	Type	Amount
Community Redevelopment Agency (CRA)[1]	Governmental	$ 8,381,596
Community Development Block Grant[2]	Governmental	702,696
HUD Neighborhood Stabilization[2]	Governmental	132,870
Residential Construction Mitigation Program[3]	Governmental	568
Facilities Management[4]	Internal Service	10,821,780
Fleet Management[4]	Internal Service	583,651
Project Management[4]	Internal Service	5,689,648

[1] In advance of future year tax revenues to fund capital projects.

[2] The deficit is due to a sidewalk capital project partially funded by CDBG pending a transfer in from the Transportation Capital Improvements fund upon completion in 2024.

[3] The deficit is a result of expenditures that are ineligible for reimbursement. This fund will be closed into the General Fund in 2024.

[4] The deficit is a result of unfunded Pension and OPEB expenses.

NOTE IV. DETAILED NOTES

1. Cash and Investments

As of September 30, 2023, the City had the following cash and investment amounts:

Category	Fair Value
Checking and savings accounts	$ 18,832,832
Cash on hand	9,100
Cash with fiscal agent	3,311
LGIP- FL Prime (SBA)	171,100,493
Intergovernmental Investment Pools	184,924,345
Money Market Funds	496,362
Investments	247,118,415
Total	$ 622,484,858

A. Cash and Cash Equivalents

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted. Investment earnings (which include realized and unrealized gains and losses as well as

interest income) are distributed monthly to the individual funds based on the fund's average cash balance as a percentage of the entire portfolio. The City's cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes.

B. Investment Portfolio

Section 218.415, Florida Statutes, limits the types of investments that a government can invest in unless specifically authorized in an investment policy. The City adopts a comprehensive investment policy by ordinance that establishes permitted investments, asset allocation limits, issuer limits, credit rating requirements, and maturity limits to protect the City's cash and investment assets. The investment policy applies to all cash and investments held or controlled by the City with the exception of pension funds and funds related to the issuance of debt. Ordinance 23-22 amending the City's investment policy was adopted on March 16, 2022.

The fair values of the City's fixed-maturity investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in the fair values of those instruments.

As of September 30, 2023, interest receivable on the City's investment portfolio amounted to $1,504,822.

As of September 30, 2023, the City had the following investment types and effective duration presented in terms of years:

Security Type	Fair Value	Weighted Average Duration (Years)
Corporate Notes	$ 43,613,693	2.42
Federal Agencies - Bond/Note	4,153,083	1.96
US Treasury - Bond/Note	192,315,894	2.60
Municipal - Bond/Note	7,035,745	3.55
LGIP- Florida Prime (SBA)	171,100,493	0.13
Intergovernmental Investment Pool-FL Class	73,651,275	0
Intergovernmental Investment Pool-FL Safe	111,273,070	0.10
Money Market Funds	496,362	0.07
Total Fair Value	$603,639,615	
Portfolio Weighted Average Duration		1.12

C. Fair Value of Investments

The City categorizes its investments in accordance with the requirements of the Governmental Accounting Standards Board (GASB) Statement No. 72, Fair Value Measurement and Application by categorizing its investments according to the fair value hierarchy established by this Statement. The hierarchy is based on the valuation input used to measure the fair value of the asset with Level 1 assets being those where quoted prices in an active market for identical assets can be readily obtained, Level 2 assets valued using a matrix pricing technique of quoted prices for similar assets or liabilities in active markets, and Level 3 assets valued using significant unobservable inputs. Investments with Local Government Investment Pools (LIGP) are recorded at net asset value (NAV) per share. This method of determining fair value uses member units to which a proportionate share of net asset is attributed.

As of September 30, 2023, the City had the following investment measurements by security type:

Investment Type	Amount	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Notes	$ 43,613,693	$ -	$ 43,613,693	$ -
Federal Agencies - Bond/Note	4,153,083	-	4,153,083	-
US Treasuries - Bond/Note	192,315,894	-	192,315,894	-
Municipal Bond/Note	7,035,745	-	7,035,745	-
Total	$ 247,118,415	$ -	$ 247,118,415	$ -
Cash Equivalents Measured at Amortized Cost				
Money Market Funds	496,362			
Total Cash Equivalents Measured at Amortized Cost	$ 496,362			
Investments Measured at Net Asset Value (NAV)				
Florida Prime	171,100,493			
Florida Safe	111,273,070			
Florida Class	73,651,275			
Total Cash Equivalents and Investments	$ 603,639,615			

D. Interest Rate Risk

In accordance with its investment policy, the City mitigates its interest rate risk by structuring the City's portfolio so that the securities mature to meet the City's cash requirements, thereby avoiding the need to sell securities on the open market prior to their maturity; and investing primarily in shorter-term securities, unless it can be anticipated that long-term securities can be held to maturity without jeopardizing liquidity requirements.

E. Credit Risk

The City's investment policy permits the following investments, which are limited to credit quality ratings from nationally recognized rating agencies as follows:

FL Prime, FL Safe, and FL Class are all rated AAAm.

Florida Prime shall be rated AAAm by Standard & Poor's or the equivalent by another rating agency, commercial paper shall be rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit ("LOC"), the long-term debt of the LOC provider must be rated "A" or better by at least two nationally recognized rating agencies, Bankers' Acceptances at the time of purchase, the short-term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" by Standard & Poor's, and issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System.

State and/or Local Government Taxable and/or Tax-Exempt Debt must be rated at least a minimum "Aa" by Moody's and "AA" by Standard & Poor's for long-term debt or rated at least "VMIG2" by Moody's or "A-2" by Standard & Poor's for short-term debt, Registered Investment companies (Mutual Funds) must be rated AAAm by Standard & Poor's or the equivalent by another rating agency and are in open-end, no-load provided such funds are registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. § 270.2a-7.In addition, the Financial Services Director may invest in other types of mutual funds provided such funds are registered under the Federal Investment Company Act of 1940, invest exclusively in the securities specifically permitted under this investment policy, and are similarly diversified.

Intergovernmental Investment Pools are rated AAAm by Standard & Poor's or the equivalent by another rating agency and are authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Section 163.01, Florida Statutes and provided that said funds contain no derivatives, Corporate Notes shall have a minimum long-term debt rating of "A" by Moody's and "A" by Standard & Poor's, Asset-backed securities (ABS) shall be Double-A rated or better by Standard & Poor's, or the equivalent by another rating agency, and bond funds shall be Double-A rated or better by Standard & Poor's, or the equivalent by another rating agency.

As of September 30, 2023, the City had the following credit exposure as a percentage of total investments:

Security Type	Credit Risk Note S&P Credit Rating	% of Portfolio	Amounts
Corporate Notes	AA+	1.36%	8,215,957
Corporate Notes	AA-	0.39%	2,352,548
Corporate Notes	AA	1.76%	10,595,595
Corporate Notes	A+	2.53%	15,292,003
Corporate Notes	A	1.19%	7,157,590
Federal Agencies - Bond/Note	AA+	0.69%	4,153,083
US Treasuries - Bond/Note	AA+	31.86%	192,315,894
Municipal Bond/Note	AA	0.72%	4,353,681
Municipal Bond/Note	AAA	0.44%	2,682,064
LGIP	AAAm	58.98%	356,024,838
Money Market Funds	AAAm	0.08%	496,362
Total		100.00%	$ 603,639,615

As of September 30, 2023, the City's investment deposit in FL Prime, FL Class, and FL Asset Fund Trust (FL Safe) investment pool was $171,100,493, $73,651,275, $111,273,070 respectively. These qualify as 2a7-like external investment pools. As of September 30, 2023, all pools were rated AAAm by Standard & Poor's.

F. Custodial Credit Risk

The City's investment policy, pursuant to Section 218.415(18), Florida Statutes, requires securities, except for certificates of deposits, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the City should be properly designated as an asset of the City. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts, and which is doing business in the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit.

As of September 30, 2023, the City's investment portfolio was held with a third-party custodian as required by the City's investment policy.

G. Concentration of Credit Risk

The City's investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the City's investment portfolio. A maximum of 60% of available funds may be invested in FL Prime, a maximum of 100% of available funds may be invested in United States Government Securities, a maximum of 50% of available funds may be invested in United States Government Agencies with no more than 25% of available funds invested in an individual United States Government agency, a maximum of 80% of available funds invested in Federal Instrumentalities with no more than 25% of available funds invested in any one issuer. A maximum of 10% of available funds may be invested in non-negotiable interest-bearing time certificates of deposit with no more than 5% of available funds deposited with any one issuer, a maximum of 25% of available funds invested in repurchase

agreements excluding one (1) business day agreements and overnight sweep agreements with no more than 10% of available funds invested with any one institution.

A maximum of 35% of available funds may be invested in prime commercial paper with no more than 10% of available funds invested with any one issuer, a maximum of 30% of available funds directly invested in Bankers' acceptances with no more than 10% of available funds invested with any one issuer. A maximum of 20% of available funds may be invested in taxable and tax-exempt debts with no more than 5% of available funds invested with any one issuer, a maximum of 25% of available funds invested in mutual funds with no more than 10% of available funds invested with any one non-SEC Rule 2a-7 investment mutual fund, a maximum of 60% of available funds invested in intergovernmental investment pools.

A maximum of 35% of available funds may be directly invested in corporate notes with no more than 5% of available funds invested with any one issuer, a maximum of 50% of available funds directly invested in corporate obligations with no more than 25% of available funds invested with any one issuer, a maximum of 20% of available funds invested in mortgage-backed securities with no more than 5% of available funds invested with any one MBS, a maximum of 20% of available funds invested in asset-backed securities with no more than 5% of available funds invested with any one ABS, a maximum of 25% of available funds invested in bond funds with no more than 10% of available funds may be invested with any one bond fund.

FI Prime has a maximum allocation limit of 60%, FL Safe and FL Class are intergovernmental investment pools with a maximum allocation limit of 60%.

As of September 30, 2023, the City's pension funds had the following investment types and effective duration presented in terms of years:

General Employees' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	$ 5,754,848	1.45%	N/A
Investments:			
Stock	63,120,217	15.87%	N/A
Mutual Funds:			
Equity	40,374,669	10.15%	N/A
Fixed income	77,339	0.02%	N/A
Pooled/Common/Commingled Funds	107,141,225	26.93%	N/A
Partnerships	181,379,914	45.58%	N/A
Total	$ 397,848,212	100.00%	

Police Officers' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	$ 7,234,922	3.00%	N/A
Investments:			
Federal agency securities	6,113,889	2.53%	3.71
Mortgage Backed Securities	6,924,197	2.87%	
Collateralized Mortgage Obligations	1,121,812	0.46%	
Corporate Bonds	3,674,688	1.52%	
Foreign Bonds	535,458	0.22%	
Subtotal MBS, CMO, Corporate Bonds and Foreign Bonds	12,256,155		12.46
Certificate of Deposit	274,208	0.11%	N/A
Mutual Funds:			
Balanced	22,596,012	9.36%	N/A
Equity	101,181,530	41.94%	N/A
Pooled/Common/Commingled Funds:			
Equity	25,947,627	10.75%	N/A
Infrastructure	1,821,306	0.75%	N/A
Real Estate	36,271,191	15.03%	N/A
Fixed Income	5,508,424	2.28%	N/A
Private Equity	20,402,241	8.45%	N/A
Private Credit	1,754,063	0.73%	N/A
Total	$ 241,361,568	100.00%	

Firefighters' Pension Investments

Security Type	Fair Value	Percentage of Portfolio	Weighted Average Maturity (years)
Cash and Cash Equivalents	$ 10,463,359	4.26%	N/A
Investments:			
Federal agency securities	6,320,285	2.57%	7.43
Mortgage Backed Securities	5,675,117	2.31%	
Collateralized Mortgage Obligations	944,016	0.38%	
Corporate Bonds	3,285,271	1.34%	
Foreign Bonds	566,883	0.23%	
Subtotal MBS,CMO, Corporate Bonds and Foreign Bonds	10,471,287		18.66
Certificates of Deposit	313,645	0.13%	N/A
Stock	76,257,724	31.02%	N/A
Mutual Funds:			
Balanced	9,534,057	3.88%	N/A
Equity	34,828,493	14.17%	N/A
Pooled/Common/Commingled Funds:			
Equity	19,452,191	7.91%	N/A
Fixed Income	11,085,102	4.51%	N/A
Infrastructure	9,986,880	4.06%	N/A
Real Estate	35,104,207	14.28%	N/A
Private Equity	18,018,060	7.33%	N/A
Private Credit	3,961,474	1.62%	N/A
Total	$ 245,796,764	100.00%	

H. Interest Rate Risk

The investment policies for the pension funds do not address interest rate risk. The pension funds utilize "effective duration" as a measurement of interest rate risk.

I. Credit Risk

As of September 30, 2023, the Pension Funds had the following credit exposure as a percentage of total fixed income investments:

Standard & Poor's Credit Rating	General Employees'	Police Officers'	Firefighters'
AAA	N/A	0.99%	0.52%
AA+	N/A	75.07%	77.15%
AA	N/A	0.04%	0.03%
AA-	N/A	1.92%	1.55%
A+	N/A	2.05%	2.21%
A	N/A	3.89%	2.97%
A-	N/A	8.61%	9.02%
BBB+	N/A	3.32%	3.44%
BBB	N/A	1.73%	1.47%
BBB-	N/A	0.79%	0.83%
not rated	100.00%	1.59%	0.81%
Total	100.00%	100.00%	100.00%

The following lists investments that represent 5% or more of the Plan's fiduciary net position as of September 30, 2023:

General Employees' Pension Investments

Investment	Amount
Fidelity Core Plus Commingled Pool	$ 41,699,821
Arrowstreet international Equity	31,578,675
Allspring Emerging Markets Equity Fund	24,220,718
Total	$ 97,499,214

Police Officers' Pension Investments

Investment	Amount
American Core Reality Fund	$ 22,882,184
Rhumbline Russell 1000 Pooled Index Fund	25,947,627
Total	$ 48,829,811

Firefighters' Pension Investments

Investment	Amount
ARA Core Property Fund	$ 22,694,146
Rhumbline Russell 1000 Pooled Index Fund	19,452,191
Total	$ 42,146,337

The following lists investments that represent 5% of more of the Plan's investments as of September 30, 2023:

Police Officers' Pension Investments

Investment	Amount
ARA Core Property Fund	$ 22,882,184
Rhumbline Russell 1000 Pooled Index Fund	25,947,627
Total	$ 48,829,811

Firefighters' Pension Investments

Investment	Amount
ARA Core Property Fund	$ 22,694,146
Rhumbline Russell 1000 Pooled Index Fund	19,452,191
Total	$ 42,146,337

J. Fair Value Measurement

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan had the following recurring fair value measurements comprised of investments as of September 30, 2023:

General Employees' Pension Investments

		Fair Value Measurements Using	
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
Investments:			
Stocks	$ 63,120,217	$ 63,120,217	$ -
Mutual Funds:			
Equity	40,374,669	40,374,669	
Fixed income	77,339	77,339	-
Total	$ 103,572,225	$ 103,572,225	$ -
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds	$ 107,141,225		
Partnerships	181,379,914		
Total Investments Measured at the NAV	288,521,139		
Total Investments Measured at Fair Value	392,093,364		
Investments Measured at Amortized Cost			
Money Market Funds and Short-Term Cash	5,754,848		
Total cash, cash equivalents, and investments	$ 397,848,212		

Police Officers' Pension Investments

	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements Using: Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
U.S. Government Obligations and Federal Agency Securities	$ 6,113,889	$ -	$ 6,113,889
Mortgage Backed Securities	6,924,197	-	6,924,197
Collateralized Mortgage Obligations	1,121,812	-	1,121,812
Corporate Bonds	3,674,688	-	3,674,688
Foreign Bonds	535,458	-	535,458
Mutual Funds:			
Balanced	22,596,012	22,596,012	-
Equity	101,181,530	101,181,530	-
	$ 142,147,586	$ 123,777,542	$ 18,370,044
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds			
Equity Index Funds	$ 25,947,627		
Infrastructure	1,821,306		
Real Estate Commingled Funds	36,271,191		
Fixed Income	5,508,424		
Private Equity	20,402,241		
Private Credit	1,754,063		
Total Investments Measured at the NAV	91,704,852		
Total Investments Measured at Fair Value	233,852,438		
Investments Measured at Amortized Cost			
Money Market Funds and Other Short-Term Cash	7,234,922		
Certificates of Deposit	274,208		
Total cash, cash equivalents, and investments	$ 241,361,568		

Firefighters' Pension Investments

	Fair Value	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements Using: Significant Other Observable Inputs (Level 2)
Investment by Fair Value Level			
U.S. Government Obligations and Federal Agency Securities	$ 6,320,285	-	$ 6,320,285
Mortgage Backed Securities	5,675,117	-	5,675,117
Collateralized Mortgage Obligations	944,016	-	944,016
Corporate Bonds	3,285,271	-	3,285,271
Foreign Bonds	566,883	-	566,883
Stocks	76,257,724	76,257,724	-
Mutual Funds:			
Balanced	9,534,057	9,534,057	
Equity	34,828,493	34,828,493	
	$ 137,411,846	$ 120,620,274	$ 16,791,572
Investment Measured at Net Asset Value (NAV)			
Pooled/common/commingled funds			
Equity Index Funds	$ 19,452,191		
Fixed Income	11,085,102		
Infrastructure	9,986,880		
Real Estate	35,104,207		
Private Equity	18,018,060		
Private Credit	3,961,474		
Total Investments Measured at the NAV	97,607,914		
Total Investments Measured at Fair Value	235,019,760		
Investments Measured at Amortized Cost			
Money Market Funds and Other Short-Term Cash	10,463,359		
Certificates of Deposit	313,645		
Total cash, cash equivalents, and investments	$ 245,796,764		

Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The pricing methodology involves the use of evaluation models such as matrix pricing, which is based on the securities relationship to benchmark quoted prices.

Other information for investment measured at the NAV or its equivalent follows:

General Employees' Pension Investments

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Pooled/Common/Commingled Funds				
Equity	$ 24,220,718	$ -	Daily	Daily
Fixed Income	58,367,587	-	Daily	Daily
Real Estate	24,552,920	24,500	Quarterly	30 days/45 days/ Quarterly
Total Pooled/Common/Commingled Funds	107,141,225	24,500		
Partnerships				
Equity	31,578,675	-	Daily	Daily
Farmland	16,831,892	-	Annually	5 Months
Infrastructure	18,326,897	-	None	None
Multi-Asset Class Solutions (MACS)	12,400,452	-	Monthly/ Quarterly	30 days/ Quarterly
Private Debt/Alt Fixed Income	22,014,522	15,156,731	None	None
Private Equity	50,814,017	8,516,418	None	None
Real Estate	29,413,459	7,636,066	None	None
Total Partnerships	181,379,914	31,309,215		
Total Investments Measured at the NAV	$288,521,139			

Police Officers' Pension Investments

	FairValue	Unfunded Commitments	Redemption Frequency	Notice Period
Pooled/Common/Commingled Funds				
Equity Index Funds	$ 25,947,627	$ -	Daily	Daily
Infrastructure	1,821,306	$ 2,568,381	None	None
Real Estate Commingled Funds	36,271,191	-	Quarterly	Daily
Fixed income	5,508,424	-	Daily	90 Days
Private Equity	20,402,241	18,334,235	None	None
Private Credit	1,754,063	8,300,538	None	None
Total Investments Measured at the NAV	$ 91,704,852	$ 29,203,154		

Firefighters' Pension Investments

	FairValue	Unfunded Commitments	Redemption Frequency	Notice Period
Pooled/Common/Commingled Funds				
Equity Index Funds	$ 19,452,191	$ 5,356,304	Daily	Daily
Fixed Income	11,085,102	-	Daily	90 days
Infrastructure Funds	9,986,880	-	Daily	Daily
Real Estate	35,104,207	-	Quarterly	30 Days/Daily
Private Credit	3,961,474	5,981,975	None	None
Private Equity	18,018,060	19,687,904	None	None
Total Investments Measured at the NAV	$ 97,607,914	$ 31,026,183		

K. Custodial Credit Risk

The pension funds' investment policy, pursuant to Section 112.661(10), Florida Statutes, states that securities should be held with a third-party custodian; and all securities purchased by, and all collateral obtained by the Pension Funds should be properly designated as an asset of the Pension Fund.

As of September 30, 2023, the pension funds' investment portfolio was held with a third-party custodian as required by Florida Statute.

L. Concentration of Credit Risk

The pension funds' investment policy has established asset allocation and issuer limits which are designed to reduce concentration of credit risk of the pension funds' investment portfolio.

2. Restricted Cash and Investments

Restricted cash and investments of the proprietary funds represent resources restricted for capital improvements, debt service, renewal and replacement, and deposits.

	Water and Sewer
Debt service	$ 104,254,534
Capital improvements	71,270,625
Renewal and replacement	6,216,125
Deposits	2,683,787
Total restricted cash and investments	$ 184,425,071

3. Accounts and Assessments Receivable

The composition of accounts and assessments receivable as of September 30, 2023 is as follows:

Governmental activities:

	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
Unrestricted:					
Interest	$ 313,512	$ -	$ -	$ 416,308	$ 729,820
Intergovernmental	10,595,118	399,247	75,248	2,630,037	13,699,650
Gross accounts receivable	2,823,162	8,307	1,401	440,217	3,273,087
Less: allowance for uncollectibles	-	(8,307)	(1,401)	(286,967)	(296,675)
Notes Receivable	20,189	-	-	551,497	571,686
Lease receivable	312,426	-	-	4,595,918	4,908,344
Total net unrestricted	$ 14,064,407	$ 399,247	$ 75,248	$ 8,347,010	$22,885,912

Business-type activities:

	Water and Sewer		Stormwater	Other Non-Major Yacht Basin	Total	Governmental Activities - Internal Service Funds
Unrestricted:						
Interest	$ 121,123		$ 109,340	$ 6,639	$ 237,102	$ 187,256
Intergovernmental	-		97,939	-	97,939	-
Gross accounts receivable	12,943,133	[1]	81,363	23,990	13,048,486	58,012
Less: allowance for uncollectibles	(887,723)	[2]	(29,332)	-	(917,055)	(17)
Total net unrestricted	12,176,533		259,310	30,629	12,466,472	245,251
Restricted:						
Interest	350,643		-	-	350,643	-
Intergovernmental	5,873,183		-	-	5,873,183	-
Gross accounts receivable	83,936	[3]	-	-	83,936	-
Less: allowance for uncollectibles	(1,978)	[2]	-	-	(1,978)	-
Gross assessments receivable	1,666,142	[3]	-	-	1,666,142	-
Less: allowance for uncollectibles	(10,492)	[2]	-	-	(10,492)	-
Total net restricted	7,961,434		-	-	7,961,434	-
Total net receivables	$ 20,137,967		$ 259,310	$ 30,629	$ 20,427,906	$ 245,251

[1] Includes unbilled receivables of $5,031,528.11

[2] The City bills users for water and sewer services monthly; before the end of each fiscal year the allowance for uncollectibles is adjusted to include all unpaid balances over 120 days past due. City policy states all finaled accounts 60 days past due are sent to a collection agency.

[3] The City monitors the accounts on a monthly basis. As of September 30, 2023, the delinquent amounts were $10,492 for assessments and $1,978 for CIAC loans.

4. Lease Receivables

The City leases land, building, and infrastructure to third parties. As of September 30, 2023, the City's lease receivables were valued at $4,908,344 and the deferred inflow of resources associated with these leases that will be recognized as revenue over the term of the leases was $4,854,096. The lease receivables for governmental activities at September 30, 2023 were as follows:

Governmental Activities

Land leases - annual lease payments totaling $89,453 plus interest at a rate ranging from 0.316% to 1.177%, due dates ranging from 10/1/2023 to 09/30/2051.	$ 652,436
Building leases - annual lease payments totaling $1,439,518 plus interest at a rate of 1.059%, due dates ranging from 10/1/2023 to 6/30/2026.	4,063,747
Infrastructure leases - annual lease payments totaling $39,945 plus interest at a rate ranging from 0.387% to 0.743%, due dates ranging from 10/1/2023 to 1/31/2028.	192,161
Total Governmental Activities Lease Receivables	$ 4,908,344

The payments for the lease receivables are expected to be received in the subsequent years as follows:

	Governmental Activities	
Fiscal Year	Principal	Interest
2024	$ 1,572,118	$ 40,932
2025	1,559,564	24,528
2026	1,208,240	8,259
2027	59,373	2,570
2028	33,782	1,998
2029-2033	77,934	7,066
2034-2038	94,316	5,684
2039-2043	105,832	4,168
2044-2048	122,657	2,343
2049-2052	74,528	472
	$ 4,908,344	$ 98,020

5. Interfund Receivables, Payables and Transfers

The composition of interfund balances as of September 30, 2023 is as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Purpose for Balance	Amount
General	Other governmental funds (CDBG)	Awaiting grant reimbursement	$ 710,640
	Other governmental funds (RCMP)	Awaiting grant reimbursement	568
	Other governmental funds (HUD NSP)	Awaiting grant reimbursement	132,870
Total			$ 844,078

Advances to/from other funds:

Receivable Fund	Payable Fund	Purpose for Balance	Amount
General	Other governmental funds (CRA)[1]	The Cove at 47th	$ 9,382,956

[1] Annual payments will be made at 1.5% interest for a 10 year period.

Interfund Transfers:

	Transfers In						
Transfers Out	General Fund	Fire Operations	Other Governmental Funds	Water and Sewer Funds	Stormwater	Internal Service Funds	Total
General Fund	$ -	$ 30,357,216	$ 31,756,480	$ 5,332	$ 12,000	$ 490,339	$ 62,621,367
Fire Operations	2,690,555	-	5,112,037	33,165	-	-	7,835,757
Other Governmental	1,113,935	-	40,882,079	-	430,197	-	42,426,211
Water & Sewer	-	-	95,084	-	-	-	95,084
Stormwater	-	-	389,453	1,044,741	-	-	1,434,194
Total	$ 3,804,490	$ 30,357,216	$ 78,235,133	$ 1,083,238	$ 442,197	$ 490,339	$ 114,412,613

All transfers are used to either (1) move revenue from the fund that the statute or budget requires to collect them, to the fund that the statute or budget requires to expend them; (2) to move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; or (3) use unrestricted revenue collected in the general fund to finance various programs, capital projects and improvements, accounted for in other funds in accordance with budgetary authorization.

6. Capital Assets

Capital asset activity for the year ended September 30, 2023 was as follows:

	Beginning Balance As Restated[1]	Increases and Transfers In	Decreases and Transfers Out	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land				
Governmental	$ 161,904,704	$ 1,631,274	$ -	$ 163,535,978
Construction in progress				
Governmental	63,222,240	28,355,989	(12,572,226)	79,006,003
Internal Service	-	100,587	-	100,587
Total construction in progress	63,222,240	28,456,576	(12,572,226)	79,106,590
Total capital assets, not being depreciated	225,126,944	30,087,850	(12,572,226)	242,642,568
Capital assets, being depreciated:				
Buildings				
Governmental	146,236,434	241,601	-	146,478,035
Internal Service	907,624	-	-	907,624
Total buildings	147,144,058	241,601	-	147,385,659
Right to use - buildings				
Governmental	-	190,536	-	190,536
Total right to use -buildings	-	190,536	-	190,536
Improvements other than buildings				
Governmental	82,622,785	2,865,094	-	85,487,879
Internal Service	63,796	-	-	63,796
Total improvements other than buildings	82,686,581	2,865,094	-	85,551,675
Equipment				
Governmental	59,240,720	6,644,405	(2,616,767)	63,268,358
Internal Service	2,270,215	599,566	(75,783)	2,793,998
Total equipment	61,510,935	7,243,971	(2,692,550)	66,062,356
Right to use - equipment				
Governmental	347,655	64,824	(336,811)	75,668
Internal Service	-	822,745	-	822,745
Total right to use - equipment	347,655	887,569	(336,811)	898,413
Intangible computer software				
Governmental	3,291,307	-	(14,200)	3,277,107
Internal Service	705,245	-	-	705,245
Total intangible computer software	3,996,552	-	(14,200)	3,982,352
SBITA				
Governmental	846,952	841,812	-	1,688,764
Total SBITA	846,952	841,812	-	1,688,764
Infrastructure				
Governmental	228,372,948	10,509,502	-	238,882,450
Total capital assets, being depreciated	524,905,681	22,780,085	(3,043,561)	544,642,205
Less accumulated depreciation for:				
Buildings				
Governmental	(65,071,403)	(3,617,365)	-	(68,688,768)
Internal Service	(695,746)	(12,506)	-	(708,252)
Total buildings	(65,767,149)	(3,629,871)	-	(69,397,020)
Right to use - Buildings				
Governmental	-	(29,815)	-	(29,815)
Total right to use - buildings	-	(29,815)	-	(29,815)
Improvements other than buildings				
Governmental	(50,466,885)	(3,353,728)	-	(53,820,613)
Internal Service	(63,795)	-	-	(63,795)
Total improvements other than buildings	(50,530,680)	(3,353,728)	-	(53,884,408)
Equipment				
Governmental	(40,271,806)	(5,154,859)	2,524,506	(42,902,159)
Internal Service	(1,863,241)	(169,416)	(118,294)	(2,150,951)
Total equipment	(42,135,047)	(5,324,275)	2,406,212	(45,053,110)
Right to use - equipment				
Governmental	(172,168)	(164,276)	305,547	(30,897)
Internal Service	-	(69,933)	-	(69,933)
Total right to use - equipment	(172,168)	(234,209)	305,547	(100,830)
Intangible computer software				
Governmental	(3,268,461)	(32,271)	14,200	(3,286,532)
Internal Service	(705,245)	-	-	(705,245)
Total intangible computer software	(3,973,706)	(32,271)	14,200	(3,991,777)
SBITA				
Governmental	-	(719,309)	-	(719,309)
Total SBITA	-	(719,309)	-	(719,309)
Infrastructure				
Governmental	(99,822,966)	(7,880,588)	-	(107,703,554)
Total accumulated depreciation	(262,401,716)	(21,204,066)	2,725,959	(280,879,823)
Total capital assets, being depreciated, net	262,503,965	1,576,019	(317,602)	263,762,382
Governmental activities capital assets, net	$ 487,630,909	$ 31,663,869	$ (12,889,828)	$ 506,404,950

(continued on next page)

	Beginning Balance As Restated[1]	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land				
Water and Sewer	$ 25,255,963	$ 269,858	$ -	$ 25,525,821
Stormwater	6,578,833	109,401	-	6,688,234
Yacht Basin	20,555	-	-	20,555
Total land	31,855,351	379,259	-	32,234,610
Construction in progress				
Water and Sewer	82,112,643	53,374,498	(24,116,923)	111,370,218
Stormwater	5,544,339	1,453,808	(385,559)	6,612,588
Total construction in progress	87,656,982	54,828,306	(24,502,482)	117,982,806
Total capital assets, not being depreciated	119,512,333	55,207,565	(24,502,482)	150,217,416
Capital assets, being depreciated:				
Buildings				
Water and Sewer	387,577,214	95,642	-	387,672,856
Stormwater	1,916,446	-	-	1,916,446
Yacht Basin	76,695	-	-	76,695
Total buildings	389,570,355	95,642	-	389,665,997
Right to use - Buildings				
Stormwater	-	257,410	-	257,410
Total right to use - buildings	-	257,410	-	257,410
Improvements other than buildings				
Water and Sewer	338,755,640	7,691,038	-	346,446,678
Stormwater	33,125,147	461,773	-	33,586,920
Yacht Basin	96,990	-	-	96,990
Total improvements other than buildings	371,977,777	8,152,811	-	380,130,588
Equipment				
Water and Sewer	38,150,421	4,010,071	(9,174,766)	32,985,726
Stormwater	10,350,835	1,036,598	(844,785)	10,542,648
Yacht Basin	41,710	-	-	41,710
Total equipment	48,542,966	5,046,669	(10,019,551)	43,570,084
SBITA				
Stormwater	86,743	-	-	86,743
Total SBITA	86,743	-	-	86,743
Infrastructure				
Water and Sewer	902,908,271	17,879,653	-	920,787,924
Stormwater	17,936,398	284,421	-	18,220,819
Yacht Basin	286,049	-	-	286,049
Total Infrastructure	921,130,718	18,164,074	-	939,294,792
Total capital assets, being depreciated	1,731,308,559	31,716,606	(10,019,551)	1,753,005,614
Less accumulated depreciation for:				
Buildings				
Water and Sewer	(131,994,146)	(9,641,691)	-	(141,635,837)
Stormwater	(1,789,684)	(64,733)	-	(1,854,417)
Yacht Basin	(23,100)	(3,854)	-	(26,954)
Total buildings	(133,806,930)	(9,710,278)	-	(143,517,208)
Right to use - Buildings				
Stormwater	-	(32,418)	-	(32,418)
Total right to use - buildings	-	(32,418)	-	(32,418)
Improvements other than buildings				
Water and Sewer	(220,949,073)	(9,953,029)	-	(230,902,102)
Stormwater	(13,896,529)	(1,261,214)	-	(15,157,743)
Yacht Basin	(71,268)	(4,068)	-	(75,336)
Total improvements other than buildings	(234,916,870)	(11,218,311)	-	(246,135,181)
Equipment				
Water and Sewer	(31,082,666)	(2,379,554)	9,099,786	(24,362,434)
Stormwater	(6,815,395)	(843,174)	844,783	(6,813,786)
Yacht Basin	(36,371)	(1,829)	-	(38,200)
Total equipment	(37,934,432)	(3,224,557)	9,944,569	(31,214,420)
SBITA				
Stormwater	-	(43,372)	-	(43,372)
Total SBITA	-	(43,372)	-	(43,372)
Infrastructure				
Water and Sewer	(312,763,272)	(21,517,421)	-	(334,280,693)
Stormwater	(10,677,471)	(391,846)	-	(11,069,317)
Yacht Basin	(86,147)	(14,363)	-	(100,510)
Total Infrastructure	(323,526,890)	(21,923,630)	-	(345,450,520)
Total accumulated depreciation	(730,185,122)	(46,152,566)	9,944,569	(766,393,119)
Total capital assets, being depreciated, net	1,001,123,437	(14,435,960)	(74,982)	986,612,495
Business-type activities capital assets, net	$ 1,120,635,770	$ 40,771,605	$ (24,577,464)	$ 1,136,829,911

[1] The City implemented GASB Statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in Fiscal Year 2023 resulting in a restatement of beginning balances.

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

Governmental activities:	
General Government	$ 5,450,501
Public Safety:	
Police	2,205,482
Fire	2,607,573
Building	102,928
Public Works	6,492,012
Community Development	1,638,400
Parks and Recreation	2,455,315
Internal Service	251,855
Total depreciation expense - governmental activities	$ 21,204,066
Business-type activities:	
Water and Sewer	$ 43,491,695
Stormwater	2,636,757
Yacht Basin	24,114
Total depreciation expense - business-type activities	$ 46,152,566

7. Accounts Payable and Other Accrued Liabilities

Accounts payable and other accrued liabilities on September 30, 2023 are as follows:

Governmental activities:

	General Fund	Fire Fund	Solid Waste	General Obligation Fund	Other Governmental Funds	Total
Accounts payable and other accrued liabilities	$ 5,999,872	$ 345,615	$ 3,262,945	$ 1,784,358	$ 5,741,029	$ 17,133,819
Retainage payable	3,338,248	-	-	520,450	416,476	4,275,174
Intergovernmental payable	1,057,954	-	-	-	120,064	1,178,018
Total	$ 10,396,074	$ 345,615	$ 3,262,945	$ 2,304,808	$ 6,277,569	$ 22,587,011

Business-type activities:

	Water and Sewer	Stormwater	Other Non-Major Yacht Basin	Total	Governmental Activities - Internal Service Funds
Accounts payable and other accrued liabilities	$ 14,128,143	$ 995,290	$ 7,358	$ 15,130,791	$ 3,423,963
Retainage payable	3,001,933	43,913	-	3,045,846	-
Total	$ 17,130,076	$ 1,039,203	$ 7,358	$ 18,176,637	$ 3,423,963

8. Long-term Debt at September 30, 2023 is comprised of the following:

General Obligation Debt

General Obligation Note-Direct Borrowings

$10,200,000 General Obligation (Note), Series 2019 was approved to finance and refinance the cost of acquisition, construction and equipping of various parks, natural areas, recreational and athletic facilities, trails, boating, fishing and swimming facilities, and wildlife habitat and shoreline protection improvements, as generally described in the Referendum Ordinance. Principal is paid annually from March 2020 to March 2034 with interest paid semiannually at 2.74%.	$ 7,895,000

General Obligation Revenue Bonds

$24,800,000 General Obligation Bonds, Series 2021 was approved to finance and refinance the cost of acquisition, construction and equipping of various parks, natural areas, recreational and athletic facilities, trails, boating, fishing and swimming facilities, and wildlife habitat and shoreline protection improvements, as generally described in the Referendum Ordinance. Principal is paid annually from March 2022 to March 2035 with interest paid semiannually at 1.46%.	22,715,000
	30,610,000
Plus unamortized premium	4,395,850
	$ 35,005,850

General Long-term Debt

Revenue Bonds

$51,790,000 Special Obligation Revenue Bonds, Series 2015 was issued to refund a portion of the City's Special Obligation Revenue, Series 2006 and finance the cost of acquisition and equipping various vehicles for Police, Fire, Code Compliance, Public Works, Parks and Recreation, and the acquisition and installation of certain equipment. The City refunded the 2006 Series to reduce its debt service payment over 22 years by $6,919,935 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $4,976,052. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2036 with interest paid semiannually at rates ranging from 3.625% to 5.0%.	$ 35,365,000
$62,595,000 Special Obligation Revenue Bonds, Series 2017 was issued to refund $26,360,000 of the outstanding Special Obligation Revenue Bonds, Series 2007; $20,400,000 of the outstanding Special Obligation Revenue Bonds, Series 2008; and $15,835,000 of the outstanding Special Obligation Revenue Bonds, Series 2011. The City refunded these Bond Series to reduce its debt service payment over 23 years by $8,389,554 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $6,745,135. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2040 with interest paid semiannually at rates ranging from 3.00% to 5.00%.	50,550,000
	85,915,000
Plus unamortized premium	8,362,355
	$ 94,277,355

Notes from Direct Borrowings

$17,669,950 Special Obligation Revenue Bonds (Notes-Direct Borrowing), Series 2012 issued to refund $12,928,555 of outstanding Series 2009 Special Obligation Revenue Notes plus accrued interest due on 4/01/2012 and $4,500,000 of commercial paper obligations issued to finance and refinance the acquisition, construction and equipping of various capital improvements with the City. The City refunded the 2009 Series to reduce its debt service payment over 13 years by $1,978,440 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $1,696,880. Principal and interest on the new obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2024 with interest paid semiannually at 2.43%.	$ 1,558,730
$5,300,000 Capital Improvement Refunding Revenue Bonds (Notes-Direct Borrowing), Series 2014, issued to refund a portion of the City's outstanding Capital Improvement Revenue Bonds, Series 2005. The City refunded the 2005 Series to reduce its debt service payment over 11 years by $355,537 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $316,378. Principal and interest on the obligations is secured by gas tax revenues and non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2024 with interest paid semiannually at 2.31%.	635,000
$13,675,000 Special Obligation Revenue Note, Series 2015 was issued to refund the City's outstanding Capital Improvement Revenue Bonds, Series 2005 and to finance the acquisition of various equipment and vehicles. The City refunded the 2005 Series to reduce its debt service payment over 10 years by $878,414 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $803,758. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid annually through 2024 with interest paid semiannually at 2.1%.	935,000
$30,760,000 Special Obligation Refunding Revenue Note, Series 2020 was issued to refund the City's outstanding Gas Tax Revenue Bonds, Series 2010B.The City refunded these Bond Series to reduce its debt service payment over 11 years by $9,189,373 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of$7,990,874. Principal and interest on the obligations is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2030 with interest paid quarterly at 1.99%.	28,025,000
$15,128,990 Special Obligation Refunding Revenue Note, Series 2020A was issued to finance the acquisition and construction of fire station #2 & #12 and to refinance the Special Obligation Revenue Note, Series 2018. The City refunded the note to reduce its debt service payment over 8 years by $401,475 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $377,248. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2028 with interest paid quarterly at 1.51%.	9,704,452
$3,520,000 Special Obligation Refunding Revenue Note, Series 2022 was issued to finance the acquisition of various vehicles and equipment for the City's Fire and Police Departments. Principal and interest on the obligation is secured by non-ad valorem funds budgeted and appropriated by City Council. Principal is paid quarterly through 2027 with interest paid quarterly at 2.63%.	2,685,000

$8,000,000 Special Obligation Refunding Revenue Note, Series 2023 was issued to finance the acquisition and construction of fire station #13. Principal is paid annually from February 2024 to February 2043 and interest is paid semiannually at 3.990%.	8,000,000
	$ 51,543,182

Lease Payable

On October 01, 2021, the City entered into a 33-month lease for the use of a Canon copier. An initial lease liability was recorded in the amount of $10,845. As of September 30, 2023, the value of the lease liability is $2,979. The City is required to make monthly fixed payments of $332. The lease has an interest rate of 0.7430%. The estimated useful life was 33 months as of the contract commencement. The value of the right to use asset as of September 30, 2023 is $10,844 with accumulated amortization of $7,746.	$ 2,979
On April 28, 2023, the City entered into a 60-month lease for the use of seven buses. An initial lease liability was recorded in the amount of $858,245. As of September 30, 2023, the value of the lease liability is $816,671. The City is required to make quarterly fixed payments of $46,876. The lease has an interest rate of 3.53%. The estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of September 30, 2023, was $822,745 with accumulated amortization of $69,933.	816,671
On October 01, 2022, the City entered into a 33-month lease for the use of a Harley-Davidson motorcycle. An initial lease liability was recorded in the amount of $32,412. As of September 30, 2023, the value of the lease liability is $21,019. The City is required to make monthly fixed payments of $960. The lease has an interest rate of 0.5290%. The estimated useful life was 33 months as of the contract commencement. The value of the right to use asset as of September 30, 2023 is $32,412 with accumulated amortization of $11,576. The lease has a guaranteed residual value payment of $8,200.	21,019
On October 01, 2022, the City entered into a 33-month lease for the use of a Harley-Davidson motorcycle. An initial lease liability was recorded in the amount of $32,412. As of September 30, 2023, the value of the lease liability is $21,019. The City is required to make monthly fixed payments of $960. The lease has an interest rate of 0.5290%. The estimated useful life was 33 months as of the contract commencement. The value of the right to use asset as of September 30, 2023 is $32,412 with accumulated amortization of $11,576. The lease has a guaranteed residual value payment of $8,200.	21,019
On April 12, 2023, the City entered into a 36-month lease for use of a modular building. An initial lease liability was recorded in the amount of $163,915. As of September 30, 2023 the value of the lease liability is $137,126. The City is required to make monthly fixed payments of $4,712. The lease has an interest rate of 2.3630%. The estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2023 is $190,536 with accumulated amortization of $29,815.	137,125
	$ 998,813

SBITA Payable

On October 01, 2022, the City entered into a 54-month subscription for the use of IWT software. An initial subscription liability was recorded in the amount of $73,270. As of September 30, 2023, the value of the subscription liability is $55,675. The City is required to make annual fixed payments of $18,900. The subscription has an interest rate of 3.3050%. The value of the right to use asset as of September 30, 2023 is $73,270 with accumulated amortization of $16,143.	$ 55,675

On May 05, 2023, the City entered into a 36-month subscription for the use of ECIVIS software. An initial subscription liability was recorded in the amount of $47,069. As of September 30, 2023, the value of the subscription liability is $32,069. The City is required to make annual fixed payments of $15,000. The subscription has an interest rate of 2.3630%. The value of the right to use asset as of September 30, 2023 is $52,019 with accumulated amortization of $7,032.	32,069
On October 01, 2022, the City entered into a 24-month subscription for the use of Cartegraph Solution software. An initial subscription liability was recorded in the amount of $91,740. As of September 30, 2023, the value of the subscription liability is $45,836. The City is required to make annual fixed payments of $45,904. The subscription has an interest rate of 3.2070%. The value of the right to use asset as of September 30, 2023 of $91,740 with accumulated amortization of $45,870.	45,836
On July 01, 2023, the City entered into a 36-month subscription for the use of ESRI Software. An initial subscription liability was recorded in the amount of $495,757. As of September 30, 2023, the value of the subscription liability is $325,757. The City is required to make annual fixed payments of $170,000. The subscription has an interest rate of 2.901%. The value of the right to use asset as of September 30, 2023 of $495,757 with accumulated amortization of $41,313.	325,757
On June 01, 2023, the City entered into a 36-month subscription for the use of Performance Measures Software. An initial subscription liability was recorded in the amount of $95,266. As of September 30, 2023, the value of the subscription liability is $62,766. The City is required to make annual fixed payments of $32,500. The subscription has an interest rate of 2.3633%. The value of the right to use asset as of September 30, 2023 is $95,266 with accumulated amortization of $10,585	62,766
On October 01, 2022, the city entered into a 29-month subscription for the use of Officer Safety Plans software. An initial subscription liability was recorded in the amount of $47,965. As of September 30, 2023, the value of the subscription liability is $23,793. The City is required to make annual fixed payments of $24,556. The subscription has an interest rate of 3.207%. The value of the right to use asset as of September 30, 2023 is $47,965 with accumulated amortization of $19,848.	23,793
	$ 545,896

Enterprise Long-term Debt

Revenue Bonds

$72,415,000 Water and Sewer Refunding Revenue Bond, Series 2015, issued to refund a portion of the Series 2006 Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2006 Series to reduce its debt service payment over 21 years by $5,429,134 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $3,716,201. Principal is paid annually from 2030 to 2036 with interest paid semiannually rates ranging from 4.0% to 5.0%. The Series 2015 Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, Water and Sewer Refunding Revenue Bonds, Series 2015, and Water and Sewer Refunding Revenue Bonds, Series 2015A, and Water and Sewer Refunding Revenue Bonds, Series 2017.	$ 72,415,000

$248,355,000 Water and Sewer Refunding Revenue Bond, Series 2017, issued to refund a portion of the Series 2011 and Series 2011A Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2011 Series to reduce its debt service payment over 24 years by $16,014,455 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $11,220,371. Principal and interest is paid semiannually through 2041. Interest rates range from 4.00% to 5.00%. The City refunded the 2011A Series to reduce its debt service payment over 25 years by $10,842,239 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $7,519,161. Principal is paid annualy and interest is paid semiannually through 2042. Interest rates range from 4.00% to 5.00%.The Series 2017 Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, and Water and Sewer Refunding Revenue Bonds, Series 2015 and Water and Sewer Refunding Revenue Bonds, Series 2015A.	239,060,000
	311,475,000
Plus unamortized premium	23,771,200
	$ 335,246,200

Notes from Direct Borrowings

$94,740,000 Water and Sewer Refunding Revenue Bonds (Notes-Direct Borrowing), Series 2015A, issued to refund a portion of the Series 2006 Water and Sewer Refunding Revenue Bonds. The bonds are secured by a pledge of and lien upon the water and sewer system's net revenues as defined by the Bond Resolution. The City refunded the 2006 Series to reduce its debt service payment over 21 years by $15,191,723 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $10,103,869. Principal and interest is paid quarterly through 2029. Interest rates range from 2.21% to 3.0%.The Series 2015A Bonds are issued in parity with the City's Water and Sewer Refunding Revenue Bonds, Series 2011, and Water and Sewer Refunding Revenue Bonds, Series 2011A, and Water and Sewer Refunding Revenue Bonds, Series 2015, and Water and Sewer Refunding Revenue Bonds, Series 2017.	$ 49,110,000
$10,600,000 Water and Sewer Refunding Revenue Bonds (Notes-Direct Borrowing), Series 2020, to finance, on an interim basis, various costs and expenses relating to the design and planning for the water, wastewater, and irrigation water utility capital improvements to be acquired, constructed and equipped within the North 1 assessment area. Principal and interest on the obligation is secured by water and sewer funds. Principal is paid in 2023 and interest paid semiannually at 0.764%.	10,600,000
$13,856,923 State Revolving Fund Loan Agreement #7516P payable to the State with principal and interest payable semiannually at 3.16% through 2024. The security is a lien on the net revenues of the water and sewer system and impact fees and is junior and subordinate to the water and sewer revenue bonds.	166,455
$35,848,122 State Revolving Fund Loan Agreement #7516L 02 (Southwest 1 Water) payable to the State with principal and interest payable semiannually at 2.93% through June 2024. The security is a lien on the net revenues of the water and sewer system and impact fees and is junior and subordinate to the water and sewer revenue bonds.	285,896

$12,401,582 State Revolving Fund Loan Agreement DW#360103 (Southwest 6 & 7 Drinking Water) payable to the State with principal and interest payable semiannually at 2.12% through 2036. The current principal amount includes actual draws and a 2% loan service fee. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.	8,821,331
$54,662,273 State Revolving Fund Loan Agreement WW#360100 (Southwest 6 & 7 Clean Water) payable to the State with principal and interest payable semiannually at rates ranging from 1.93% to 2.42% through 2036. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.	38,325,549
$97,000,000 State Revolving Fund Loan Agreement WW#360120 (North 2 Clean Water) was awarded. A payable to the State with principal and interest payable semiannually at rates ranging from 0.00% to 0.72% through 2041. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.	90,044,877
$124,436,105 State Revolving Fund Loan Agreement DW#360130 (North 2 Drinking Water) was awarded. A payable to the State with principal and interest payable semiannually at rates ranging from 0.30% to 1.48% through 2041. The current principal amount includes actual draws and capitalized interest. The security is a lien on the special assessment proceeds, sewer expansions fees, irrigation expansion fees, capital facility expansion charges and net revenues of the water and sewer system. The lien is junior and subordinate to the water and sewer revenue bonds.	68,707,393
	$ 266,061,501

Special Assessment Debt with Government Commitment

In order to fund construction of the City's water and wastewater utility expansion in certain areas of the City, the City has issued Special Assessment Improvement Debt. The City is acting as agent in the collection of the special assessments levied and in the payment of the Special Assessment Bonds outstanding. Such bonds are collateralized by special assessments levied against the benefited property owners. The City will assume responsibility in the event of default on the outstanding Special Assessment Bonds. Current year special assessment collections were sufficient to meet fiscal year 2020 debt service requirements.

$101,155,000 Utility Improvement Refunding Assessment Bonds (Various Areas), Series 2017 was issued to refund all of the City's outstanding utility improvement special assessment debt. The City refunded the bonds to reduce its debt service payment over 20 years by $10,850,993 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of $9,939,840. Principal and interest on these bonds are secured by special assessment proceeds and to pay any deficiencies from the net revenue of its water and sewer system. Principal is paid annually through September 2028 with interest paid semiannually at rates ranging from 1.40% to 3.00%.	29,990,000
Less unamortized discount	(256,527)
Total Special Assessment Debt	$ 29,733,473

Lease Payable

On May 15, 2023, the City entered into a 36-month lease for the use of office space located at 1031 SE 9th Place. An initial lease liability was recorded in the amount of $257,410. As of September 30, 2023, the value of the lease liability is $223,974. The City is required to make monthly fixed payments of $5,700. Additionally, there are other reasonably certain monthly payments of $1,362. The lease has an interest rate of 2.3630%. The estimated useful life was 36 months as of the contract commencement. The value of the right to use asset as of September 30, 2023 is $257,410 with accumulated amortization of $32,415.

$	223,974
$	223,974

SBITA Payable

On October 01, 2022, the City entered into a 24-month subscription for the use of Cartegraph Solution software. An initial subscription liability was recorded in the amount of $86,743. As of September 30, 2023, the value of the subscription liability is $43,338. The City is required to make annual fixed payments of $43,405. The subscription has an interest rate of 3.207%. The value of the right to use asset as of September 30, 2023 is $86,743 with accumulated amortization of $43,372.

$	43,338
$	43,338

Year Ending September 30,	Governmental Activities									
	General Obligation Debt		Revenue Bonds		Notes from Direct Borrowings		Lease Payable		SBITA Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 2,120,000	$ 1,137,211	$ 5,175,000	$ 3,728,231	$ 9,502,187	$ 1,118,367	240,526	29,551	$ 293,991	$ 15,764
2025	2,190,000	1,058,980	7,155,000	3,469,481	6,533,717	915,483	240,866	22,383	232,278	7,201
2026	2,275,000	977,870	7,515,000	3,111,731	6,659,363	782,187	200,573	15,201	19,627	649
2027	2,360,000	893,612	7,890,000	2,735,981	6,600,822	646,139	178,666	8,837	-	-
2028	2,440,000	797,550	8,290,000	2,341,481	5,706,650	520,951	138,182	2,446	-	-
2029-2033	13,780,000	2,412,860	25,720,000	7,811,837	11,745,443	1,352,239	-	-	-	-
2034-2038	5,445,000	198,134	21,920,000	2,580,164	2,165,000	747,628	-	-	-	-
2039-2043	-	-	2,250,000	135,800	2,630,000	270,722	-	-	-	-
	30,610,000	7,476,217	85,915,000	25,914,706	51,543,182	6,353,716	998,813	78,418	545,896	23,614
Unamortized premium	4,395,850	-	$ 8,362,355	-	-	-	-	-	-	-
Total	$ 35,005,850	$ 7,476,217	$ 94,277,355	$ 25,914,706	$ 51,543,182	$ 6,353,716	$ 998,813	$ 78,418	$ 545,896	$ 23,614

Year Ending September 30,	Business-type Activities									
	Revenue Bonds		Notes from Direct Borrowings		Special Assessment Debt		Lease Payable		SBITA Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 4,995,000	$ 14,000,938	$ 30,135,082	$ 3,554,671	$ 8,450,000	$ 819,788	$ 81,238	$ 4,361	$ 43,338	$ 1,390
2025	5,240,000	13,751,188	19,596,817	3,208,194	8,155,000	608,538	85,282	2,395	-	-
2026	5,510,000	13,489,188	19,867,943	2,836,693	6,910,000	384,275	57,454	457	-	-
2027	5,785,000	13,213,688	20,247,903	2,457,683	4,850,000	194,250	-	-	-	-
2028	6,070,000	12,924,438	20,640,047	2,068,802	1,625,000	-	-	-	-	-
2029-2033	73,670,000	56,987,440	71,411,704	6,251,727	-	-	-	-	-	-
2034-2038	104,915,000	36,653,238	57,937,135	2,438,249	-	-	-	-	-	-
2039-2043	105,290,000	11,033,750	26,224,870	314,247	-	-	-	-	-	-
	311,475,000	172,053,868	266,061,501	23,130,266	29,990,000	2,006,851	223,974	7,213	43,338	1,390
Unamortized discount	-	-	-	-	(256,527)	-	-	-	-	-
Unamortized premium	23,771,200	-	-	-	-	-	-	-	-	-
Total	$ 335,246,200	$ 172,053,868	$ 266,061,501	$ 23,130,266	$ 29,733,473	$ 2,006,851	$ 223,974	$ 7,213	$ 43,338	$ 1,390

Changes in Long-Term Liabilities

Long-term liability activity for the year ended September 30, 2023, was as follows:

	Beginning Balance As Restated[1]	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Revenue bonds payable	$ 90,850,000	$ -	$ (4,935,000)	$ 85,915,000	$ 5,175,000
Bond discount and premium	8,901,064	-	(538,709)	8,362,355	-
Total revenue bonds payable	99,751,064	-	(5,473,709)	94,277,355	5,175,000
Notes from direct borrowings	54,357,504	8,000,000	(10,814,322)	51,543,182	9,502,187
General Obligation-note from direct borrowing	37,435,887	-	(2,430,037)	35,005,850	2,120,000
Leases Payable	180,572	1,022,160	(203,919)	998,813	240,526
SBITA Payable	846,952	834,463	(1,135,519)	545,896	293,991
Claims liability	14,425,300	1,971,051	(3,471,713)	12,924,638	4,567,294
Compensated absences[2]	11,488,034	3,727,358	(86,804)	15,128,588	2,181,740
Total Governmental Activities	$ 218,485,313	$ 15,555,032	$ (23,616,023)	$ 210,424,322	$ 24,080,738
Business-type activities:					
Water and Sewer					
Revenue bonds payable	$ 316,235,000	$ -	$ (4,760,000)	$ 311,475,000	$ 4,995,000
Bond discount and premium	25,110,117	-	(1,338,917)	23,771,200	-
Total revenue bonds payable	341,345,117	-	(6,098,917)	335,246,200	4,995,000
Notes from Direct Borrowings	281,815,247	-	(15,753,746)	266,061,501	30,135,082
Special Assessment Bonds	37,916,298	-	(8,182,825)	29,733,473	8,450,000
Compensated absences	2,586,456	490,398	(380,345)	2,696,509	379,874
Total Water and Sewer	663,663,118	490,398	(30,415,833)	633,737,683	43,959,956
Stormwater					
Leases Payable	-	257,410	(33,436)	223,974	81,238
SBITA Payable	86,743	-	(43,405)	43,338	43,338
Compensated absences	788,857	201,866	(138,909)	851,814	141,854
Total Stormwater	875,600	459,276	(215,750)	1,119,126	266,430
Yacht Basin					
Compensated absences	10,361	-	(10,361)	-	-
Total Yacht Basin	10,361	-	(10,361)	-	-
Total Business-type					
Long-term debt	635,966,545	-	(28,696,571)	607,269,974	43,580,082
Bond discount, premium and deferred amount on refunds	25,110,117	-	(1,338,917)	23,771,200	-
Total bonds and notes payable	661,076,662	-	(30,035,488)	631,041,174	43,580,082
Leases Payable	-	257,410	(33,436)	223,974	81,238
SBITA Payable	86,743	-	(43,405)	43,338	43,338
Compensated absences	3,385,674	692,264	(529,615)	3,548,323	521,728
Total Business-type	$ 664,549,079	$ 949,674	$ (30,641,944)	$ 634,856,809	$ 44,226,386

[1] The City implemented GASB statement No. 96 Subscription-Based Information Technology Arrangements (SBITA) in Fiscal Year 2023, resulting in a restatement of beginning balances.

[2] Compensated absences will be liquidated as follows: General Fund 88%, Special Revenue Funds 8%, and Internal Service Funds 4%.

Governmental Notes-Direct Borrowings:

The City's total outstanding notes from direct borrowings related to governmental activities of $51,543,182 contain the following provisions in an event of default:

Special Obligation Revenue Bonds (Note), Series 2012

If an event of default shall have occurred and be continuing, the Noteholder or any trustee or receiver acting for the Noteholder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Agreement, and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the City or by any officer thereof, including, but not limited to, specific performance. No remedy herein conferred upon or reserved to the Noteholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. If the Noteholder has not received payment of principal and interest within twenty (20) days after it becomes due the Noteholder shall have the right to declare the entire outstanding principal amount of the Series 2012 Note and all interest accrued thereon to be immediately due and payable, which shall thereupon become due and payable.

Capital Improvement Refunding Revenue Bonds (Note), Series 2014

The provision for an event of default shall bear interest at a rate in excess of the maximum rate allowable by law. The default rate shall mean the sum of (4%) plus the higher prime rate and the sum of adjusted one-month LIBOR plus 2.50%.

Gas Tax Refunding Revenue Bonds (Note), Series 2014

The holders of the Obligations, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

Special Obligation Revenue (Note), Series 2015

If any event of default shall have occurred and be continuing, the Noteholder or any trustee or receiver acting for the Noteholder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Agreement, and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the City or by any officer thereof, including, but not limited to, specific performance. No remedy herein conferred upon or reserved to the Noteholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

General Obligation Revenue Bond (Note), Series 2019

If any event of default shall have occurred and be continuing, the Bondholder or any trustee or receiver acting for the Bondholder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the Laws of the State of Florida, or granted and contained in this Agreement, and may enforce and compel the performance of all duties required by this Agreement or by any applicable statutes to be performed by the City or by any officer thereof, including, but not limited to, specific performance. No remedy herein conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

After the occurrence of an Event of Default, notwithstanding any other terms hereof, the Series 2019 Bond shall bear interest at the Default Rate until such Event of Default is cured. The City shall promptly notify the Bondholder of the occurrence of any Event of Default. In addition, in the event any payment due hereunder is not paid within 15 days of the applicable scheduled payment date, a late payment fee equal to 4% of the amount that is overdue shall be immediately due and payable.

Special Obligation Refunding Revenue (Note), Series 2020

The holder of the Note, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

Special Obligation Refunding Revenue (Note), Series 2020A

The holder of the Note, except to the extent the rights herein given may be restricted by the Resolution, may, whether at law or in equity, by suit, action, mandamus, or other proceeding, protect and enforce and compel the performance of all duties required hereby, or by such Resolution, to be performed by the City.

Special Obligation Refunding Revenue (Note), Series 2022

If any additional indebtedness of the City that is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues is accelerated upon an event of default, the Noteholder shall have the same right to accelerate the payments. If any payment required to be made by the City hereunder or under the Series 2022 Note is more than fifteen (15) days past due, the City will pay to the Noteholder a late charge equal to six percent (6%) of the payment amount which is past due.

Special Obligation Refunding Revenue (Note), Series 2023

If any additional indebtedness of the City that is secured by a covenant to budget and appropriate Non-Ad Valorem Revenues is accelerated upon an event of default, the Noteholder shall have the same right to accelerate the payments. If any payment required to be made by the City hereunder or under the Series 2023 Note is more than fifteen (15) days past due, the City will pay to the Noteholder a late charge equal to six percent (6%) of the payment amount which is past due.

Business-Type Notes-Direct Borrowings:

The City's total outstanding notes from direct borrowings related to business-type activities of $266,061,501 contains event of default provisions:

Water & Sewer Refunding Revenue Bonds (Note), Series 2015A

The provision for an event of default shall bear interest at a rate equal to the sum of the then applicable interest rate plus six percent (6%). If any payment of principal or interest with respect to the Water & Sewer Refunding Revenue Bonds (Notes), Series 2015A Notes-Direct Borrowing is not paid with 15 days of the respective due date, the purchaser may impose a late fee equal to four percent (4%) of the delinquent amount.

Water & Sewer Revenue Note, Series 2020

Upon the occurrence and continuance of an Event of Default pursuant to Section 7.01 of the Resolution and notwithstanding anything herein to the contrary, the Purchaser may adjust the Interest Rate to the Default Rate (as defined below) which shall be effective until such Event of Default has been cured.

For purposes of this Section 8(B), the following terms shall have the meanings ascribed thereto:

"Default Rate" shall mean the lesser of (i) the Prime Rate plus three percent (3%) per annum or (ii) the maximum rate permitted by law.

The following State Revolving Funds (SRF) contain provisions for events for Default:

1. State Revolving Fund Loan Agreement #67516P
2. State Revolving Fund Loan Agreement #7516L 01
3. State Revolving Fund Loan Agreement #7516L 02
4. State Revolving Fund Loan Agreement DW#360103
5. State Revolving Fund Loan Agreement WW#360100

6. State Revolving Fund Loan Agreement WW#360120
7. State Revolving Fund Loan Agreement DW#360130

The provisions that the SRF has at its disposal in the event of default: (1) By mandamus or other proceeding at law or in equity, cause to establish rates and collect fees and charges for use of the Water and Sewer Systems, and to require the Local Government to fulfill this Agreement. (2) By action or suit in equity, require the Local Government to account for all moneys received from the Department or from the ownership of the Water and Sewer Systems and to account for the receipt, use, application, or disposition of the Pledged Revenues. (3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department. (4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Water and Sewer Systems, establish and collect fees and charges, and apply the revenues to the reduction of the obligations under this Agreement. (5) By certifying to the Auditor General and the Chief Financial Officer delinquency on loan repayments, the Department may intercept the delinquent amount plus a penalty from any unobligated funds due to the Local Government under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution. The Department may impose a penalty in an amount not to exceed an interest rate of 18 percent per annum on the amount due in addition to charging the cost to handle and process the debt. Penalty interest shall accrue on any amount due and payable beginning on the 30th day following the date upon which payment is due. (6) By notifying financial market credit rating agencies and potential creditors. (7) By suing for payment of amounts due, or becoming due, with interest on overdue payments together with all costs of collection, including attorneys' fees. (8) By accelerating the repayment schedule or increasing the Financing Rate on the unpaid principal of the Loan to as much as 1.667 times the Financing Rate.

9. Conduit Debt Obligation

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The Health Facility Authority is an agency established by the City in 1979 under the authority of Chapter 154, Florida Statutes and City Resolution No.65-15 to serve as a conduit to issue revenue bonds. Within section E-20 of the Bond Agreement states so long as the bonds are outstanding the bonds under law are required to be exempt from federal income taxation under Section 103(A) of the Code.

To provide financing of the construction of a new building that will house 80 residential-style assisted living suites and 48 memory support assisted living suites, as well as converting existing space to provide an additional skilled nursing dining space, 24 rental independent living units and 20 skilled nursing beds within the City, the City of Cape Coral Health Facilities Authority has issued a series of Senior Housing Revenue Bonds, Series 2015. These bonds do not constitute a debt or pledge of the full faith and credit of the City, and accordingly, they have not been reported in the accompanying financial statements. On September 30, 2023, Health Facility Revenue Bonds outstanding aggregated $73,970,000.

10. Construction and Other Significant Commitments

Construction Commitments - As of September 30, 2023, major outstanding construction commitments (in excess of $1 million) were as follows:

	Spent To Date	Remaining Commitment
Governmental activities:		
Other Governmental Funds:		
Charter School Portable Buildings[1]	$ -	$ 1,348,811
Hexagon Computer Software[1]	1,309,241	1,714,102
Fire Station 10[1]	-	1,127,933
Fire Station 13 [8]	1,833,654	5,619,572
Fire Training Facility[9]	849,151	10,791,118
Skate Park Building Improvements[1]	-	1,235,633
Police Training Facility[1]	976,733	13,981,877
Transportation Fund:		
Road Improvements[2]	8,102,602	27,776,520
Debt Service Fund:		
Park Improvements[3]	8,119,009	19,019,967
Total governmental activities	21,190,390	82,615,533
Business-type activities:		
Fleet Capital Project Fund:		
Fleet Building[1]	$ -	$ 12,719,066
Water & Sewer Fund:		
Utility Expansion Program - North 2 [6]	2,050,032	-
Utility Expansion Program - North 1 West[6]	31,483,277	189,256,305
Reuse River Crossing[6]	15,570,839	4,649,555
CRA Utility[7]	5,066,953	2,017,453
Southwest 5MG Storage Tank & Pump[6]	1,025,618	-
Raw Water Well[5]	418,828	3,487,388
Palm Tree Blvd Phase 1[4]	11,753,292	2,370,219
Master Pump Station 100 [7]	125,000	12,960,600
Gleason Conduit Fiber Optics[5]	-	3,344,299
Operations Building[6]	4,048,624	233,089
Stormwater Utility Fund:		
Utility Expansion Program - North 1 West Stormdrain[6]	433,848	6,697,295
Total business-type activities	71,976,311	237,735,269
Total	$ 93,166,701	$ 320,350,802

1 Projects are being funded by General Fund.

2 Projects are being funded by the appropriation of General Fund reserves and gas taxes.

3 Projects are being funded by General Obligation debt proceeds.

4 Projects are being funded by water and sewer user and impact fees.

5 Projects are being funded by water and sewer user fees.

6 Projects are being funded by State Revolving Fund loans and bonds with debt service being paid by special assessments and stormwater user fees.

7 Projects are being funded by water and sewer user fees and federal grants.

8 Projects are being funded by Debt Proceeds.

9 Projects are being funded by Fire Impact Fees.

Encumbrances - Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next year were as follows:

General Obligation Fund	$ 19,019,967
Transportation Capital Improvement Fund	27,776,520
Fire Capital Project Fund	17,538,623
Other Governmental Funds	18,280,423
Total Encumbrances	$ 82,615,533

11. Fund Balances

Fund balances for governmental funds at September 30, 2023 are as follows:

	General	Fire	Solid Waste	General Obligation Bond	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Inventory	$ 162,433	$ -	$ -	$ -	$ -	$ 162,433
Prepaid Items	1,582,215	142,202	-	-	46,307	1,770,724
Advances to other funds	9,382,956	-	-	-	-	9,382,956
Restricted:						
General government	-	-	-	-	1,619,619	1,619,619
Public safety	-	6,705,392	-	-	12,730,911	19,436,303
Public works	-	-	4,124,227	-	62,050,219	66,174,446
Parks and recreation	-	-	-	-	8,774,814	8,774,814
Community development	-	-	-	-	8,727,209	8,727,209
Capital outlay	-	-	-	7,954,879	40,629,287	48,584,166
Debt service	-	-	-	-	240,328	240,328
Committed:						
General government	-	-	-	-	2,161,121	2,161,121
Public safety	-	-	-	-	104,920	104,920
Public works	-	-	-	-	6,473,474	6,473,474
Capital outlay	-	-	-	-	67,645,850	67,645,850
Land acquisition	1,167,894	-	-	-	-	1,167,894
Parks improvements	12,842,921	-	-	-	-	12,842,921
Budget stabilization reserve	26,001,867	-	-	-	-	26,001,867
Assigned:						
General government	20,117,516	-	-	-	-	20,117,516
Police Project Lifesaver	12,113	-	-	-	-	12,113
Government Services Bicycle/Pedestrian Path	17,484	-	-	-	-	17,484
Subsequent year's budget appropriations of fund balance	2,250,000	-	-	-	-	2,250,000
Unassigned	-	-	-	-	(9,225,730)	(9,225,730)
Total fund balances	$ 73,537,399	$ 6,847,594	$ 4,124,227	$ 7,954,879	$201,978,329	$294,442,428

12. Segment Information

The City issued revenue bonds to finance its water and sewer fund. The water and sewer fund and the special assessment funds are accounted for in a single fund in the financial statements. However, investors in the revenue bonds rely solely on the revenue generated by the water and sewer activity for repayment. Financial information for the water and sewer fund is presented below:

STATEMENT OF NET POSITION

ASSETS	
Current assets:	
Cash and investments	$ 27,040,108
Interest receivable	121,123
Accounts receivable, net	12,055,408
Inventories	6,564,434
Prepaid items	151,183
Restricted:	
Cash and investments	82,977,114
Interest receivable	45,766
Intergovernmental Receivable	5,774,046
Total restricted assets	88,796,926
Total current assets	134,729,182
Non-current assets:	
Unamortized bond insurance costs	50,681
Advances to other funds	1,790,645
Total restricted assets	1,841,326
Capital assets:	
Land and construction in progress	112,621,854
Other capital assets, net of depreciation	426,488,082
Capital assets, net	539,109,936
Total noncurrent assets	540,951,262
Total assets	675,680,444
Deferred Outflows of Resources	
Loss on refunding	18,517,068
Pension related	8,167,105
OPEB related	6,464,451
Total deferred outflows of resources	$ 33,148,624
LIABILITIES	
Current liabilities:	
Accounts payable and other accrued liabilities	5,210,461
Accrued retainage	2,259,519
Accrued payroll	931,604
Accrued interest payable	2,630
Deposits	2,987,585
Unearned revenue	20,247,746
Compensated absences	379,874
Total OPEB Liability	1,859,788
Debt:	
Revenue bonds	4,995,000
Notes	7,786,455
Total debt	12,781,455
Total current liabilities	46,660,662
Non-current liabilities:	
Compensated absences	2,316,635
Total OPEB Liability	34,734,498
Net pension liability	28,902,489
Debt:	
Revenue bonds	333,401,200
Notes	48,940,000
Total debt	382,341,200
Total non-current liabilities	448,294,822
Total liabilities	494,955,484
Deferred Inflows of Resources	
OPEB related	14,681,276
Deferred inflows of pension assumptions	343,731
Total deferred inflows of resources	15,025,007
NET POSITION	
Net investment in capital assets	152,622,786
Restricted for:	
Capital improvement	60,507,801
Debt service	4,044,268
Deposits	2,683,787
Renewal and replacement	6,216,125
Unrestricted	(27,226,190)
Total net position	$ 198,848,577

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND NET POSITION

OPERATING REVENUES	
Charges for services	$ 106,813,359
Other revenue	1,812,207
Total operating revenues	108,625,566
OPERATING EXPENSES	
Salaries, wages and employee benefits	28,867,979
Contractual services, materials and supplies	38,974,095
Depreciation	23,995,981
Total operating expenses	91,838,055
Operating income	16,787,511
NON-OPERATING REVENUES (EXPENSES)	
Non-capital federal & state grants	992,174
Investment earnings	2,638,914
Interest expense	(15,630,226)
Debt service costs	(3,669)
Gain on sale of capital assets	112,249
Total nonoperating revenues (expenses)	(11,890,558)
Income (loss) before contributions and transfers	4,896,953
Capital Contributions	
Developer contributions	1,029,277
Capital Grants	12,820,595
Total capital contributions	13,849,872
Transfers	
Transfers in	5,533,416
Transfers out	(15,550,921)
Total transfers	(10,017,505)
Change in net assets	8,729,320
Total net position - beginning	190,119,257
Total net position - ending	$ 198,848,577
Condensed Statement of Cash Flows	
New cash provided (used) by:	
Operating activities	$ 31,023,817
Non capital financing activities	(9,025,331)
Capital and related financing activities	(63,758,090)
Investing activities	2,483,650
Net increase (decrease)	(39,275,954)
Beginning cash and investments	149,293,176
Ending cash and investments	$ 110,017,222
Classified As:	
Cash and investments	$ 27,040,108
Restricted cash and investments	82,977,114
	$ 110,017,222

13. Future Pledged Revenue

The City has pledged various future revenue sources for various debt issues. For the water and sewer system, the City has pledged future water and sewer customer revenues, net of certain operating expenses. The following table provides a summary of the pledged revenues for the City's outstanding debt issues:

Pledged Revenue	Total Principal and Interest Outstanding	Current Year Principal and Interest Paid	Current Year Revenue	Coverage
Special Assessment[1]	$ 256,602,798	$ 19,704,306	$ 28,083,209	143%
Half-cent Sales Tax	954,635	2,789,102	23,231,590	833%
Gas Tax	-	2,612,462	12,393,205	474%

[1] Includes collections for the (6) SRF loans that are funded by special assessment proceeds but have a pledge of water and sewer net revenues and impact fees.

Covenant to Budget and Appropriate Debt (000)	$ 169,727		
Historical Non Ad-Valorem Revenue Debt (000)	$ 377,874		
Legally Available Non-Ad Valorem Revenues (000)		$ 100,508	
Average of current and prior year		$ 119,567	(A)
Maximum Annual Debt Service (MADS)		$ 19,524	(B)
MADS coverage (A ÷ B)		6.12	
MADS required coverage		1.5	
Governmental Revenues		$ 376,817	(C)
Governmental Revenues percentage (B ÷ C)		5.18%	
Required Coverage		not to exceed 20%	
Water & Sewer Debt (000)	$ 548,115		
Operating Revenue (000)		$ 108,626	
Operating Expenses (net of depreciation) (000)		(70,505)	
Net Operating Revenues (000)		$ 38,121	
Interest Income (000)[1]		1,483	
Net Revenues Available for Debt Service (000)		$ 39,604	
Capital Expansion Fees (000)		16,115	
Net Revenues and Expansion Fees Available for Debt Service (000)		$ 55,719	
Test 1			
Net Revenues Available for Debt Service (000)		$ 39,604	
Annual Debt Service (Senior Lien) (000)		$ 28,046	
Calculated Coverage Factor		1.41	
Required Coverage		1.00	
Test 2			
Net Revenues & Expansion Fees (000)		$ 55,719	
Annual Debt Service (Senior Lien) (000)		$ 28,046	
Calculated Coverage Factor		1.99	
Required Coverage		1.00	
Test 3			
Net Revenues after Senior Lien Debt Service (000)		$ 27,673	
Annual Debt Service (Subordinate) (000)		$ 3,497	
Calculated Coverage Factor		7.91	

[1] Due to the Refunding of the Water & Sewer Bonds, Series 2006 in FY2015 there are adjustments to the operating revenues and operating expenses allowable to pledge. In the amendment, the definitions of gross revenues and operating expenses are modified to not include transactions that don't result in a receipt or usage of cash. The adjustment for changes in fair value of investments are not included in revenues. The operating expenses have adjustments for changes in OPEB liability, net pension liability changes, and changes to deferred inflows and outflows.

14. Tax Revenue - as of September 30, 2023 is as follows:

	General Fund	Fire Operations	Other Governmental Funds	Total
Taxes:				
Property	$116,089,230	$ 1,196,266	$ 4,115,953	$121,401,449
Public service	12,595,484	-	2,640,000	15,235,484
Sales	31,999,585	-	-	31,999,585
Fuel	2,215,645	-	12,393,203	14,608,848
Alcohol and beverage	86,972	-	-	86,972
Communication	5,509,770	-	-	5,509,770
Total	$168,496,686	$ 1,196,266	$ 19,149,156	$188,842,108

15. Intergovernmental Revenue - as of September 30, 2023 is as follows:

Governmental activities:	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
Operating Grants and State Shared Revenues					
Parks and Recreation	$ 722,392	$ -	$ -	$ -	$ 722,392
Public Safety: Police	861,807	-	-	-	861,807
Public Safety: Fire	-	160,052	-	-	160,052
Federal disaster relief	22,063,349	778,009	9,821	148,174	22,999,353
State disaster relief	9,363	-	-	-	9,363
On-Behalf Police Pension	2,285,409	-	-	-	2,285,409
On-Behalf Fire Pension	2,282,775	-	-	-	2,282,775
Capital Grants					
Community Development	-	-	-	6,953,183	6,953,183
Public Safety: Police	356,363	-	-	-	356,363
Public Safety: Fire	-	68,813	-	-	68,813
Public Works	42,150	-	-	833,897	876,047
Total	$ 28,623,608	$ 1,006,874	$ 9,821	$ 7,935,254	$ 37,575,557

16. Investment Earnings - as of September 30, 2023 is as follows:

	Governmental Funds	Enterprise Funds	Internal Service Funds	Total
Investment income	$ 11,046,741	$ 13,151,196	$ 704,808	$ 24,902,745
Interest on advances	223,232	98,218	-	321,450
Interest billed on assessment, contribution in aid of construction, impact fee, CFEC and UCEF loans	3,332	3,791,054	-	3,794,386
Interest received from tax collector	451,444	136,362	-	587,806
Total	$ 11,724,749	$ 17,176,830	$ 704,808	$ 29,606,387

17. Other Revenue - as of September 30, 2023 is as follows:

	General Fund	Fire	Solid Waste	Other Governmental Funds	Total
State Housing Program Income (SHIP)	$ -	$ -	$ -	$ 11,178	$ 11,178
NSP Program Income	-	-	-	77,690	77,690
CDBG Program Income	-	-	-	33,489	33,489
Lee County Tax Collector Refund of Estimated Fee	3,124	38,898	23,533	10,581	76,136
Sales of surplus material	15,640	-	-	-	15,640
Purchase card rebate	22,136	4,135	96,000	-	122,271
Police confiscation	-	-	-	138,150	138,150
Insurance recovery	223,298	-	-	277,113	500,411
Reimbursements - General Government	348,557	-	-	-	348,557
Reimbursements - Public Works	697,450	-	-	1,579	699,029
Reimbursements - Planning	32,826	-	-	-	32,826
Reimbursements - Public Safety	307,573	16,121	-	411	324,105
Vendor rebate	4,582	-	-	-	4,582
Hurricane Ian Related	2,604,476	202,607	-	-	2,807,083
Other Miscellaneous Revenue	725,644	-	-	4,283	729,927
	$ 4,985,306	$ 261,761	$ 119,533	$ 554,474	$ 5,921,074

NOTE V. OTHER INFORMATION

1. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City operates a Risk Management fund to account for and finance its uninsured risks of loss related to workers compensation and property and liability claims. The fund provides coverage to a maximum of $350,000 for each worker's compensation claim, $100,000 for each general liability claim, and $25,000 for each property damage claim. The City purchases commercial insurance for claims in excess of coverage provided by the Risk Management fund and for all other risks of loss. Settled claims have not exceeded this commercial coverage in this fiscal year, nor has the City had any settlements in excess of insurance coverage in the past three years.

The workers compensation division allocates the cost of providing claims service and claims payment by charging a premium to each applicable fund based on the state mandated rate per $100 rate of salary by employee classification. The property and liability division charges a premium to the applicable funds based on the value of capital assets in each fund.

The self-funded health insurance plan was implemented on January 1, 2016 and is administered by Blue Cross and Blue Shield of Florida. Coverage under the plan is available to employees and retirees of the City of Cape Coral and provides comprehensive medical benefits to employees and their dependents. The plan is funded through contributions from the City, employees, and retirees with specific and aggregate reinsurance coverages underwritten by Blue Cross and Blue Shield of Florida.

The claims liabilities reported in the risk management and self-funded health insurance funds on September 30, 2023, are based on requirements of Governmental Accounting Standards Board (GASB) Statement No. 30, which requires that a liability for claims be reported if it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be estimated. This includes claims that have been incurred but not reported (IBNR) and allocated loss adjustment expenses.

Changes in the funds' claims liability amounts in fiscal years 2022 and 2023 were:

	Beginning-of-Fiscal-Year Claims Liability	Current-Year Claims and Changes in Estimates	Claims Payments	End-of-Fiscal Year Claims Liability
Workers Compensation				
2022 - 2023	$ 6,465,920	$ 1,454,604	$ (2,387,400)	$ 5,533,124
2021 - 2022	6,589,664	1,869,646	(1,993,390)	6,465,920
Property and Casualty				
2022 - 2023	$ 5,895,845	$ 1,032,982	$ (1,084,313)	$ 5,844,514
2021 - 2022	5,107,414	2,185,031	(1,396,600)	5,895,845
Self-funded Health Insurance				
2022 - 2023	$ 2,063,535	$ 28,325,756	$ (28,842,291)	$ 1,547,000
2021 - 2022	1,788,000	27,202,402	(26,926,867)	2,063,535

2. Chiquita Boat Lock-South Spreader Waterway

During fiscal year 2013 the City was authorized for up to $187,302 from the Gulf American Corporation (GAC) restricted account to fund repairs and upgrades to the City's Chiquita Boat Lock for the improvement in navigation safety and reliability needed due to the increase in boat traffic through the lock. The City has requested the funds on a reimbursement basis.

The City has received $87,907 to date as of September 30, 2023. The monies in the account are held by the state on a first come, first served basis. In the future, the City may define a project that would be eligible for reimbursement from these funds. However, the funds held by the state may be depleted at that time.

The City operates and maintains the Chiquita Boat Lock on the South Spreader Waterway. The Chiquita Boat Lock separates the southern half of the City's canal system from the open waters of the State at the Caloosahatchee River. The Chiquita Lock provides navigational access to canal front residents. The lock and canal system were constructed as part of a 1977 DEP Consent Order with GAC Properties, the developers of Cape Coral.

The same Consent Order required the sum of $1,000,000 to be placed into a restricted, interest-bearing account for future environmental needs and projects for developmental concerns for Cape Coral in Lee County and Golden Gates Estates in Collier County. This GAC restricted account is within the Ecosystem Management and Restoration Trust Fund. In the past, approved funded projects have been infrastructure based and include park construction, storm water projects and previous repairs and upgrades on the Chiquita Lock.

3. Pension Plans

The City has four defined benefit single-employer pension plans:

- Municipal General Employees' Pension Plan
- Municipal Police Officers' Pension Plan
- Municipal Firefighters' Pension Plan
- General Employees' Pension Restoration Plan

Assets are held separately and may be used only for the payment of benefits to the members of the respective plans. The General Employees' Pension Restoration Plan does not hold assets. Each plan's financial statements are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which employee contributions are due and a formal commitment has been made by the employer. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan. All plans except for the General Employees' Pension Restoration Plan issue financial reports that include financial statements and required supplementary information. The reports may be obtained from the City of Cape Coral.

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the City's defined benefit pension plans are summarized below:

	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	Restoration General Employees'	Total
Net pension liability	$ 103,333,891	$ 59,006,066	$ 74,277,352	$ -	$ 236,617,309
Total pension liability	-	-	-	1,240,114	1,240,114
Deferred outflows of resources related to pensions	29,199,522	22,185,213	33,202,883	1,767,252	86,354,870
Deferred inflows of resources related to pensions	1,228,927	-	2,297,872	4,214,760	7,741,559
Pension expense	28,010,121	19,560,947	20,566,873	(193,364)	67,944,577

A. Defined Benefit Plans

a. Municipal General Employees' Pension Plan

At September 30, 2023 the Plan's membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	810
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	234
Active Plan Members	942
Total	1,986

Plan Description – General Employees' Pension Plan

The City's Municipal General Employees' Pension Plan (Plan) is a single employer defined benefit pension plan covering all full-time general employees of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension and death benefits and is subject to the provisions of the Florida Statutes and ordinance of the City of Cape Coral. Certain employees may opt-out and participate in the City's defined contribution plan instead.

The Plan, in accordance with the above statute, is governed by a five-member pension board. The board is comprised as follows: two members must be legal residents of the City and are appointed by City Council: two members must be participants in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member services a four-year period. The board has engaged the services of a third-party administrator, Pension Resource Center, to administer the Plan.

The Plan's financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by CliftonLarsonAllen LLP. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2023. As the plan administrator, Ferrell B. Jenne at Foster and Foster can provide a copy of the financial statements are upon request. She can be contacted at Ferrell.jenne@foster-foster.com.

Benefits Provided - General Employees' Pension Plan

Monthly accrued benefit – The monthly accrued benefit is calculated as follows:

1. For members with less than 20 years credited service – 2.50% of average final compensation, times two years of credited services.
2. For members with 20 or more years of credited service – 2.60% of average final compensation on the first 20 years of credited service, and 2.75% of average final compensation on each year of credited over beyond 20 years.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-twelfth of the average salary (as defined by the Plan) of the best 5 years out of the prior 10 years of credited service prior to termination, retirement, or death.

The Plan allows for a cost-of-living increase (COLA) of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For members who did not elect the buy-up (an additional 1.60% contribution) and those hired after September 30, 2013, the increase is 2.50% and is effective on the October 1 after having received three full years of benefits. A COLA does not apply to a deferred vested retirement.

Payment options - the Plan offers a variety of payment options, including normal form, life annuities, 10-year certain and life annuities, joint and survivor annuities, and social security options. The initial maximum benefit per year is the lesser of 80% of average compensation, or $95,000 (or the accrued benefit as October 1, 2013). For members who have reached the normal retirement date as of October 1, 2013 or are within five years of the normal retirement date and have at least 15 years of credited service as of October 1, 2013, the maximum benefit is 80% of average compensation. In these instances, the maximum benefit is exclusive of the COLA increase.

Normal retirement age – normal retirement age is defined as:

1. If hired prior to October 1, 2013 – The earlier of attaining age 60, regardless of the number of years of credited service, or the completion of 25 years of credited service, regardless of age.
2. If hired on or after October 1, 2013 – The earlier of attaining age 62 and the completion of years of 10 credited service, or the completion of 27 years of credited service, regardless of age.

Early retirement age - Members become eligible for early retirement upon reaching age 50 and having 10 years of credited service. With early retirement, the beneficiary can elect to receive a lump-sum payment of the actuarially determined benefit or receive the member's monthly accrued benefit for 10 years certain and life, thereafter, beginning at the members normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member's accumulated contributions (including interest at 3.50%, compounded annually) in lieu of any other benefits payable under the Plan.

Forfeiture of benefits - If convicted of certain crimes, as identified in the Plan document, members forfeit all of their vested benefits, and their personal contributions are refunded to them.

Vesting – General Employees' Pension Plan

Members are fully vested in their contributions.

Members hired prior to October 1, 2013 become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0
5	50
6	60
7	70
8	80
9	90
10 or more	100

For members hired after October 1, 2013, there is no vesting until the member has accrued 10 years of credited service. Additionally, for members who have more than 5 years of credited service, but less than 10 as of October 1, 2013, those members' vesting is frozen at the percentage above, until such time the member has 10 years of credited service.

Deferred Retirement Option Plan (Drop)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employee's for up to five years. Upon enrollment, members' monthly benefits accrue until such time that they leave the DROP program. At the time of the termination of employment of the end of the DROP period, the member will begin receiving the monthly retirement benefit, and within 120 months of termination of employment the member will receive the account balance in a lump sum or in another optional form. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2023, the Plan had 105 active members enrolled in DROP, and the total amount of accrued benefits was $28,395,755.

Investments – General Employees' Pension Plan

Rate of Return: For the year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 6.85%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions and Funding

Covered general employees are required to contribute 9.90% of their salary to the Plan. The City makes contributions based on actuarially determined minimum funding requirements.

Additionally, members hired prior to October 1, 2013 may make an irrevocable election to contribute an additional 1.60% in exchange for keeping the cost-of-living increase at 3.00%, and reversion of the monthly benefit to the normal form of benefit in the event the retiree is predeceased by the joint pensioner. The election must have been made by September 30, 2013.

Net Pension Liability of the City - General Employees' Pension Plan

The City's net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	9/30/2023
Total pension liability	$504,845,871
Plan fiduciary net position	(401,511,980)
Net pension liability	$103,333,891
Net position as a percentage of the total pension liability	79.53%

Actuarial Assumptions - General Employees' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions applied to all measurement periods.

Inflation	2.00%
Salary Increases	Service based
Discount Rate	6.85%
Investment Rate of Return	6.85%

Mortality rates were based on the following:

Mortality Rate Healthy Active Lives:

- Female: PubG.H-2010 (Above Median) for Employees.
- Male: PubG.H-2010 for Employees, set back one year.

Mortality Rate Healthy Retiree Lives:

- Female: PubG.H-2010 for Healthy Retirees.
- Male: PubG.H-2010 for Healthy Retirees, set back one year.

Mortality Rate Beneficiary Lives:

- Female: PubG.H-2010 (Below Median) for Healthy Retirees.
- Male: PubG.H-2010 for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

- PubG.H-2010 for Disabled Retirees, set forward three years.

All rates are projected generationally with Mortality Improvement Scale MP-2018.

The actuarial assumptions used in the October 1, 2022 valuation were based on Milliman's July 1, 2021 FRS valuation report for non-special-risk employees, with appropriate adjustments based on plan demographics.

The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. For 2023 the inflation rate assumption of the investment advisor was 2.30%.

These ranges are combined to produce the Long-Term Expected Rate of Return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
U.S. Equities	7.52%
Developed Non-US Equities	7.65%
Emerging Market Equities	8.40%
US Core Fixed Income	4.09%
Multi Asset Class Solutions (MACS)	6.31%
Real Estate	5.22%
Private Equity	9.78%
Private Credit	8.27%
Infrastructure	7.28%
Farmland	7.78%

Discount Rate - *General Employees' Pension Plan*

The discount rate used to measure the total pension liability remained unchanged at 6.85%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the Long-Term Expected Rate of Return on Pension Plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - General Employees' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 6.85%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.85%	Current Discount Rate 6.85%	1% Increase 7.85%
Net pension liability	$165,840,679	$103,333,891	$ 52,008,687

Changes in the Net Pension Liability - General Employees' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2022	$ 482,090,027	$ 368,277,285	$ 113,812,742
Changes for the year:			
Service cost	11,471,969	-	11,471,969
Interest	32,995,487	-	32,995,487
Differences between expected and actual experience	1,870,570	-	1,870,570
Contributions - Employer	-	16,935,472	(16,935,472)
Contributions - Employee	-	6,534,848	(6,534,848)
Contributions - Buy Back	169,939	169,939	-
Net Investment Income	-	33,677,071	(33,677,071)
Benefit payments, including refunds of employee contributions	(23,752,121)	(23,752,121)	-
Administrative Expenses	-	(330,514)	330,514
Net changes	22,755,844	33,234,695	(10,478,851)
Balances at September 30, 2023	$ 504,845,871	$ 401,511,980	$ 103,333,891

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - General Employees' Pension Plan

For the year ended September 30, 2023, the City recognized pension expense of $28,010,121. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,402,929	$ 1,228,927
Changes in assumptions	6,496,096	-
Net Difference between projected and actual earnings on investments	21,300,497	-
Total	$ 29,199,522	$ 1,228,927

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

Year ended September 30,	
2024	$ 8,792,292
2025	6,818,198
2026	14,053,151
2027	(1,693,046)
2028	-

b. Municipal Police Officers' Pension Plan

At October 1, 2023 the Plan's membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	172
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	55
Active Plan Members	244
Total	471

Plan Description – Police Officers' Pension Plan

The Plan is a defined benefit pension plan covering all full-time police officers of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension and death benefits and is subject to the provisions of the Florida Statutes and ordinances of the City of Cape Coral.

The Plan, in accordance with the above statue, is governed by a five-member pension board (the Board). The Board is comprised as follows: two members must be legal residents of the City and are appointed by City Council; two members must be members in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member serves a four-year period. The Board has engaged the services of a third-party administrator to administer the Plan.

The Plan's financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by CliftonLarsonAllen LLP. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2023. As the plan administrator, Ferrell B. Jenne at Foster and Foster can provide a copy of the financial statements upon request. She can be contacted Ferrell.jenne@foster-foster.com.

Benefits Provided - Police Officers' Pension Plan

Monthly Accrued Benefit - The monthly accrued benefit equals 3.25% of average final compensation, times the years of credited service.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-sixtieth of the average salary (as defined by the Plan) for the five 12-month periods that produce the greatest average.

The Plan allows for a cost-of-living increase of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For police officers hired after June 16, 2014, the increase is effective on October 1 after having received three full years of benefits.

Payment Options - the Plan offers a variety of payment options including, partial lump-sum payouts, 10-year certain and life annuity, joint and survivor annuities, and social security options. For members who have not reached normal retirement age by October 1, 2013, the maximum benefit per year shall not exceed $105,000, exclusive of any cost-of-living increases. Ordinance 98-22 adopted December 7, 2022 provides for an increase in the annual maximum benefit from $95,000 to $105,000, incrementally phased in by automatic 1% increases effective October 1, 2022.

Normal Retirement Age - normal retirement age is defined as:

1. If hired prior to October 1, 2013 – The earlier of attaining age 50, regardless of the number of years of credited service, or the completion of 25 years of credited service, regardless of age.
2. If hired on or after October 1, 2013 – The earlier of attaining age 52 and the completion of years of 10 credited service, or the completion of 27 years of credited service, regardless of age.

Early Retirement Age – members become eligible for early retirement upon reaching age 40 and having 10 years of credited service. The early retirement benefit is calculated and reduced actuarially, based upon the normal retirement benefit.

Death and Disability - Upon the death of a vested member prior to normal retirement, the beneficiary will receive the member's monthly accrued benefit for 10 years certain and life, thereafter, beginning at the member's normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member's accumulated contributions in lieu of any other benefits payable under the Plan.

Active members who become totally and permanently disabled in the line of duty shall receive a normal retirement benefit with the maximum benefit equal to 66.67% of average final compensation. Any member who becomes totally and permanently disabled while not in the line of duty shall receive a normal retirement benefit, based upon years of credited service as follows:

1. Greater than 10 years – 66.67% of average final compensation.
2. Between 5 and 10 years – 50% of average final compensation.
3. Less than 5 years – 25% of average final compensation.

Forfeiture of Benefits - if convicted of certain crimes, as identified in the Plan Document, members forfeit all of their vested benefits, and their personal contributions are refunded to them. Additionally, the Plan identifies certain instances in which members would not qualify for disability benefits, due to the nature of the disability (for example, illegal drug use).

Vesting

Members hired prior to October 1, 2013 become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0
5	50
6	60
7	70
8	80
9	90
10 or more	100

Members hired on or after October 1, 2013, become vested in all other contributions after 10 years of credited service. Additionally, for members who have 5 or more years of credited service, but less than 10 as of October 1, 2013, those members' vesting is frozen at the percentage above until such time the member has 10 years of credited service.

Deferred Retirement Option Plan (DROP)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employees for up to five years. Upon enrollment, members' monthly benefits accrue until such time that they leave the DROP program. At the time of the termination of employment at the end of the DROP period, the member will be receiving the monthly benefit, and within 120 months of termination,

will receive the account balance in a lump sum or in another option form. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2023, the Plan had 35 active members enrolled in DROP, and the total amount of accrued benefits was $28,055,271.

Investments – Police Officers' Pension Plan

Rate of Return: For the year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 9.16%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions - Police Officers' Pension Plan

Covered employees are required to contribute 10% of their salary to the Plan. The City makes contributions based on actuarially determined minimum funding requirements. Additionally, the state of Florida contributes insurance premium taxes, which are used to help reduce the City's portion of its minimum funding requirement.

Net Pension Liability of the City - Police Officers' Pension Plan

The City's net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	9/30/2023
Total pension liability	$ 300,505,337
Plan fiduciary net position	(241,499,271)
Net pension liability	$ 59,006,066
Net position as a percentage of the total pension liability	80.36%

Actuarial Assumptions – Police Officers' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions applied to all measurement periods.

- Inflation 2.25%
- Salary Increases Service Based
- Discount Rate 7.00%
- Investment Rate of Return 7.00%

Mortality rates were based on the following:

Mortality Rate Healthy Active Lives:

- Female: PubS.H-2010 for Employees, set forward one year.
- Male: PubS.H-2010 for Employees, set forward one year.

Mortality Rate Healthy Retiree Lives:

- Female: PubS.H-2010 for Healthy Retirees, set forward one year.
- Male: PubS.H-2010 for Healthy Retirees, set forward one year.

Mortality Rate Beneficiary Lives:

- Female: PubG.H-2010 for Healthy Retirees.
- Male: PubG.H-2010 for Healthy Retirees, set back one year.

Mortality Rate Disabled Lives:

- 80 % PubG.H-2010 for Disabled Retirees / 20% PubS.H.-2010 for Disabled Retirees.

All rates are projected generationally with the Mortality Improvement Scale MP-2018.

- The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
- The Long-Term Rate of Return on Pension Plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of Pension Plan investment expenses and inflation) are developed for each major asset class. For 2023 the inflation rate assumption of the investment advisor was 2.25%. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2023 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
US Large Cap Equity	4.91%
US Small/Mid Cap Equity	5.29%
International Equity	5.32%
U.S. Direct Real Estate	3.79%
Absolute Return	3.72%
Private Equity	7.67%
US Fixed Income	2.30%
Private Debt	5.78%

- The discount rate used to measure the total pension liability was 7.00% and did not change from the previous period. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - Police Officers' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Net pension liability	$ 96,801,677	$ 59,006,066	$ 28,372,224

Changes in the Net Pension Liability - Police Officers' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2022	$ 282,502,863	$ 218,081,851	$ 64,421,012
Changes for the year:			
Service cost	7,284,702	-	7,284,702
Interest	19,881,883	-	19,881,883
Share Plan Allocation	1,036,544	-	1,036,544
Experience Gains/Losses	1,123,951	-	1,123,951
Contributions - Employer	-	9,880,446	(9,880,446)
Contributions - State	-	2,285,409	(2,285,409)
Contributions - Employee	-	2,674,874	(2,674,874)
Contributions - Buy Back	196,722	196,722	-
Net Investment Income	-	20,066,612	(20,066,612)
Benefit payments, including refunds of employee contributions	(11,521,328)	(11,521,328)	-
Administrative Expenses	-	(165,315)	165,315
Net changes	18,002,474	23,417,420	(5,414,946)
Balances at September 30, 2023	$ 300,505,337	$ 241,499,271	$ 59,006,066

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Police Officers' Pension Plan

For the year ended September 30, 2023, the City recognized pension expense of $19,560,947. On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 4,793,907	$ -
Changes in Assumptions	4,506,766	-
Net Difference between projected and actual earnings on investments	12,884,540	-
Total	$ 22,185,213	$ -

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

Year ended September 30,	
2024	6,329,112
2025	5,099,790
2026	11,102,525
2027	(346,214)
2028	-
thereafter	-

c. Municipal Firefighters' Pension Plan

At October 1, 2022 the Plan's membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	153
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	12
Active Plan Members	226
Total	391

Plan Description – Firefighters' Pension Plan

The Plan is a defined benefit pension plan covering all sworn firefighters of the City. Participation in the Plan is required as a condition of employment. The Plan provides for pension, death and disability benefits, and is subject to the provisions of Chapter 175, Florida Statutes, and ordinances of the City of Cape Coral.

The Plan, in accordance with the above statue, is governed by a five-member pension board (the Board). The Board is comprised as follows: two members must be legal residents of the City and are appointed by City Council; two members must be members in the Plan and are elected by a majority of Plan members; the final is elected by a majority of the other four board members. Each board member serves a four-year period. The Board has engaged the services of a third-party administrator to administer the Plan.

The Plan's financial statements and related notes to the financial statements were audited in accordance with auditing standards generally accepted in the United States of America by CliftonLarsonAllen LLP. It was their opinion that the financial statements were presented fairly in all material respects as of September 30, 2023. As the plan administrator, Ferrell B. Jenne at Foster and Foster can provide a copy of the financial statements are upon request. She can be contacted at Ferrell.jenne@foster-foster.com.

Benefits Provided - Firefighters' Pension Plan

Monthly accrued benefit - The monthly accrued benefit equals 3.25% of average final compensation, times the years of credited service.

Credited service is defined as the period of service, as measured in years and partial years.

Average final compensation is defined as one-sixtieth of the average (as defined by the Plan) for the five twelve-month periods which produce the greatest average.

The Plan allows for a cost-of-living increase of 3.00% per year. The increase is effective on the first October 1 after having received one full year of benefits. For firefighters hired after June 16, 2014, the increase is effective on the October 1 after having received three full years of benefits.

Payment options - the Plan offers a variety of payment options including the following: partial lump sum payouts, 10 certain and year life annuities, joint and survivor annuities, and social security options. For members who have not reached normal retire age as of June 16, 2014, the maximum benefit is capped at $98,857 per year, exclusive of any cost-of-living increases.

Normal retirement age - normal retirement ages is defined as:

1. Age 50, regardless of the number of years of credited service (age 52 and 10 years of credited service for firefighters hired after June 15, 2014), or
2. Completion of 25 years of credited service, regardless of age.

Early retirement age - members become eligible for early retirement upon reaching age forty and having ten years of credited service. The early retirement benefit is calculated and reduced actuarially, based upon the normal retirement benefit.

Death and disability - upon the death of a vested member prior to retirement, the beneficiary will receive the member's monthly accrued benefit for life with 10 years certain beginning on the member's early or normal retirement date. Upon the death of a non-vested member prior to retirement, the beneficiary will receive the member's accumulated contributions in lieu of any other benefits payable under the Plan.

Active members who become totally and permanently disabled in the line of duty shall receive a normal retirement benefit with the minimum benefit equal to 66.67% of average final compensation. Any member who becomes totally and permanently disabled while not in the line of duty, shall receive a normal retirement benefit, based upon years of credited service as follows:

1. Greater than 10 years – 66.67% of average final compensation.
2. Between 5 and 10 years – 50% of average final compensation.
3. Less than 5 years – 25% of average final compensation.

Forfeiture of benefits - if convicted of certain crimes, as identified in the Plan document, members forfeit all of their vested benefits, and their personal contributions are refunded to them. Additionally, the Plan identifies certain instances in which members would not qualify for disability benefits due to the nature of the disability (for example, illegal drug use).

Vesting

Members are fully vested in their contributions, and become vested in all other contributions on a graduated scale as follows:

Years of Service	Vested %
Less than 5	0%
5	50
6	60
7	70
8	80
9	90
10 or more	100

For members hired after June 15, 2014, there is no vesting until members have accrued 10 years of credited service. Additionally, for members who have more than 5 years of credited service, but less than 10 years as of June 15, 2014, those members' vesting is frozen at the percentage above until such time that the member has 10 years of credited service.

Deferred Retirement Option Plan (DROP)

Members who qualify for normal retirement may enroll in DROP. Members who enroll in DROP may remain active employees for up to five years. Upon enrollment, members' monthly benefits accrue until such time that they leave the DROP program. Payment shall be made from the DROP account within 120 months after termination of employment. Additionally, upon enrollment, members are no longer eligible for disability or pre-retirement death benefits, nor can they receive any additional years of credited service. As of September 30, 2023, the Plan had 19 active members enrolled in DROP, and the total amount of accrued benefits was $22,993,294.

Investments – Firefighters' Pension Plan

Rate of Return: For the year ended September 30, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investments expense, was 9.33%.

Investment Policy and Concentrations: Detailed information can be found in Note IV Detailed Notes 1. Cash and Investments.

Contributions – Firefighters' Pension Plan

Employees contribute 10% of salary. The effective Member Contribution rate will vary each year as new members enter and members electing the buy up leave the plan. The City contributes the remaining amounts at actuarially determined rates that are designated to accumulate sufficient assets to pay benefits when due.

Net Pension Liability of the City - Firefighters' Pension Plan

The City's net pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension was determined by an actuarial valuation as of that date.

	9/30/2023
Total pension liability	$320,142,756
Plan fiduciary net position	(245,865,404)
Net pension liability	$ 74,277,352
Net position as a percentage of the total pension liability	76.80%

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to September 30, 2023 using the following actuarial assumptions applied to all measurement periods.

- Inflation 2.25%
- Salary Increases Service Based
- Investment Rate of Return 6.75%
- Mortality rates were based on the use of PubS.H-2010 set forward one year for active and retiree lives, PubG.H-2010 for beneficiary lives except males set back one year. Disabled lives are 80%PubG.H-2010 and 20% PubS.H-2010.
- The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
- The long-term rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, Net of Pension Plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Pension Plan's target asset allocation as of September 30, 2023 are summarized in the following table:

Asset Class	Long-term Expected Real Rate of Return
US Large Cap Equity	4.91%
US Small/Mid Cap Equity	5.29%
International Equity	5.32%
U.S. Direct Real Estate	3.79%
Absolute Return	3.72%
Private Equity	7.67%
US Fixed Income	2.30%
Private Debt	5.78%

- The discount rate used to measure the total pension liability remained unchanged at 6.75%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate – Firefighters' Pension Plan

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 5.75%	Current Discount Rate 6.75%	1% Increase 7.75%
Net pension liability	$119,315,727	$ 74,277,352	$ 38,047,308

Changes in the Net Pension Liability – Firefighters' Pension Plan

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2022	$ 302,520,937	$ 223,878,593	$ 78,642,344
Changes for the year:			
Service cost	7,764,764	-	7,764,764
Interest	20,436,609	-	20,436,609
Change in Excess State Money	484,270	-	484,270
Differences between expected and actual experience	2,219,734	-	2,219,734
Contributions - Employer	-	9,798,159	(9,798,159)
Contributions - State	-	2,283,482	(2,283,482)
Contributions - Member Repayments	-	228	(228)
Contributions - Employee	-	2,485,907	(2,485,907)
Contributions - Buy Back	20,470	20,470	-
Net Investment Income	-	20,875,015	(20,875,015)
Benefit payments, including refunds of employees contributions	(13,304,028)	(13,304,028)	-
Administrative Expenses	-	(172,422)	172,422
Net changes	17,621,819	21,986,811	(4,364,992)
Balances at September 30, 2023	$ 320,142,756	$ 245,865,404	$ 74,277,352

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Firefighters' Pension Plan

For the year ended September 30, 2023, the City recognized pension expense of $20,566,873. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,364,645	$ 2,297,872
Changes in Assumptions	17,891,282	-
Net Difference between projected and actual earnings on investments	12,946,956	-
Total	$33,202,883	$ 2,297,872

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

Year ended September 30,	
2024	$ 7,957,463
2025	7,918,124
2026	11,787,190
2027	1,513,964
2028	1,411,165
thereafter	317,105

d. Restoration General Employees' Pension Plan

At October 1, 2023, the Plan's membership consisted of the following:

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	810
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	234
Active Plan Members	942
Total	1,986

Plan Description – Restoration General Employees' Pension Plan

This plan was implemented in fiscal year 2020. It is a single employer defined benefit pension plan administered by the Plan's Board of Trustees. The Board is designated as the plan administrator. The Board shall consist of five Trustees. The trustees of the system shall serve ex officio as the Trustees of the Board. The Board shall meet at least quarterly each year. The Board shall be a legal entity with, in addition to other powers and responsibilities contained herein, the power to bring and defend lawsuits of every kind, nature and description.

Benefits Provided – Restoration General Employees' Pension Plan

Members receiving benefits from the city of Cape Coral Municipal General Employees' Retirement Plan ("Qualified Plan") are entitled to benefits from this plan if their benefits are restricted by Section 415 of the Internal Revenue code. Their benefits under this plan are determined as lesser of the following:

1. The unrestricted benefit under the Qualified Plan, less the maximum benefit allowed under Section 415 of the Code; or
2. The amount which the member's monthly benefit from the Qualified Plan has been reduced due to limitations imposed by the Code.

Contributions may not be accumulated under this plan to pay future retirement benefits. The plan is funded by the City on a pay-as-you-go basis.

The plan is not prefunded, so no assets available to offset the Total Pension Liability.

Total Pension Liability of the City – Restoration General Employees' Pension Plan

The City's total pension liability was measured as of September 30, 2023, and the total pension liability used to calculate the total pension was determined by an actuarial valuation as October 1, 2022.

Actuarial Assumptions - Restoration General Employees' Pension Plan

The total pension liability was determined by an actuarial valuation as of October 1, 2022 updated to October 1, 2023 using the following actuarial assumptions.

- Inflation 2.30%
- Salary Increases Service based
- Discount Rate 4.87%

Discount Rate – 4.87% per year, determined annually based on the rate published in the S&P Municipal Bond 20 Year High Grade Index based on the weekly rate closest to but no later than the measurement date.

Asset Valuation Method – Fair Value of Assets. The plan is not prefunded, so no assets are available to offset the Total pension Liability.

Section 415 Limit - Members receiving benefits from the City of Cape Coral Municipal General Employees' Retirement Plan ("Qualified Plan") are entitled to benefits from this plan if their benefits are restricted by Section 415 of the Internal Revenue Code. Their benefits under this plan are determined as lesser of the following:

1. The unrestricted benefit under the Qualified Plan, less the maximum benefit allowed under Section 415 of the Code; or
2. The amount which the member's monthly benefit from the Qualified Plan has been reduced due to limitations imposed by the Code.

Sensitivity of the Total Pension Liability to Changes in the Discount Rate – Restoration General Employees' Pension Plan

The following presents the total pension liability of the City, calculated using the discount rate of 4.87%, as well as what the total pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total pension liability	$ 1,493,269	$ 1,240,114	$ 1,043,274

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - Restoration General Employees' Pension Plan

For the year ended September 30, 2023, the City recognized pension benefits of $193,364. At September 30, 2023, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,767,252	$ 2,748,838
Changes in Assumptions	-	1,465,922
Total	$ 1,767,252	$ 4,214,760

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

Year ended September 30,	
2024	(298,055)
2025	(298,055)
2026	(298,055)
2027	(298,055)
2028	(298,055)
thereafter	(957,233)

B. Defined Contribution Plan

a. General Employees Defined Contribution Pension Plan

The City established a single employer defined contribution pension plan for department heads and administrative management general employees on April 23, 1997. Eligible members who were current members of the Municipal General Employees' Pension Plan were given the irrevocable election to opt out of the old plan, and their accumulated contributions or future benefits, if vested, were rolled over into the new defined contribution pension plan. The employee chooses to directly manage his/her funds or to delegate the management via a preferred fund selection.

The City contracted with ICMA-RC to provide a 401(a) plan to all positions Grade 22 or higher as an alternative "opt-out" to the defined benefit retirement plan per City Code of Ordinances 2-123.2(a)(2). Terms of the plan are identified in the ICMA Retirement Corporation Governmental Money Purchase Plan & Trust Adoption Agreement approved by council and requires council approval for all changes.

Normal retirement is age 55 (not to exceed age 65). The adoption agreement has the following provisions: immediate 100% vesting, requires contributions equal to 8% of earnings from the employee and contributions of 12% of earnings from the employer. During FY2023, the City contributed $139,557 and the employees contributed $92,220.

4. Other Postemployment Benefits (OPEB)

Plan Description – City of Cape Coral OPEB Plan

Certain OPEB benefits are available to all employees eligible for disability and early or normal retirement after terminating employment with the City. The OPEB benefits include lifetime coverage for the retiree and dependents (for the life of the retiree) in the medical and prescription plans as well as participation in the dental and vision group plans sponsored by the City for employees. Retiring employees are eligible to continue the City-paid life insurance plan.

The City does not issue a separate financial report for the single-employer OPEB plan. The City's OPEB plan is currently being funded on a pay as you go basis, therefore, no assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan is administered by the City of Cape Coral. None of the benefits, rates of pay, or compensation provided to employees or retirees herein may be changed except by ordinance of the City Council.

Health-Related Benefits

All retiring employees of the City may continue their participation in the group health insurance plan sponsored by the City and may choose among the same medical plan options available for active employees of the City, as required by State law, but may be subject to a premium payment depending on their date of employment with the City. Dependents of retirees may be covered at the retirees' option at the same rate as dependents of active employees, subject to premium payment. Prescription Drug coverage is automatically included in all the medical plan options. Covered retirees and their dependents are subject to all the same medical and prescription benefits and rules for coverage as are active employees. Retirees who are Medicare eligible must enroll for Parts A and B under Medicare to remain covered under the program. All medical coverage is secondary to Medicare for retirees and dependents who are Medicare eligible and enrolled. In addition, all current and future retirees hired before the applicable "Break Date" who are or become eligible for Medicare benefits and who remain on the City's medical and prescription program will receive a cash stipend equal to the Medicare Part B premium. The City does not pay a Medicare Part B subsidy for any employees hired after September 30, 2003.

Survivorship Benefits

Eligibility for coverage for the designated dependent(s) ceases upon the death of the retiree. No benefit (other than COBRA coverage) is offered to the surviving beneficiary(s) of the active employee or retiree.

Life Insurance Benefits

Retirees hired before October 1, 2003 may continue their participation in the group term life insurance policy into retirement with the face value equal to twice the amount of the annual base salary at retirement. There is no cost to the employee. Retiring employees hired on or after October 1, 2003 have an option of converting their coverage to individual policies. A converted policy is not considered as other post-employment benefits for the purposes of GASB Statement No. 75.

Retiree Contributions for Medical and Prescription Benefits

Retired employees of the City are required to pay the health insurance premiums to maintain their coverage. An exception is made for employees hired before their respective "Break Date" and who have accrued at least 5 years of service with the City. These retirees are eligible upon retirement to continue coverage in the City's medical and prescription program at no cost to the retiree. Employees hired after their respective "Break Date", who retire having accrued at least 10 years of continuous service with the City at retirement, are entitled to a service-based subsidy toward the total premium contribution required for continued coverage in the City's program. Amount of this subsidy may change from time to time as the costs of insurance change.

Participant Data

For the October 1, 2021 valuation the following employees were covered by the benefit terms:

Retirees (Medical and/or Life Insurance)	783
Active plan members	1,780
Total	2,563

Total OPEB Liability

	Total OPEB Liability
Balance as of September 30, 2021 for FYE 2022	$354,307,674
Changes:	
Service cost	11,185,690
Interest	7,626,859
Changes in assumptions	(107,935,188)
Benefit payments	(12,098,514)
Net Changes	(101,221,153)
Balance as of September 30, 2022 for FYE 2023	$253,086,521

Sensitivity of the total OPEB Liability to Changes in the Discount Rate

The following table presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate.

	1% Decrease 3.40%	Current Discount Rate 4.40%	1% Increase 5.40%
Total OPEB Liability	$ 287,895,674	$ 253,086,521	$ 224,830,791

Sensitivity of the total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following table presents the City's total OPEB liability, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

	1% Decrease 2.94%	Healthcare Cost Trend Rate 3.94%	1% Increase 4.94%
Total OPEB Liability	$ 229,452,777	$ 253,086,521	$ 281,847,280

Deferred Inflows/Outflows of Resources Related to OPEB

For the year ended September 30, 2023, the City recognized OPEB expense of $5,868,732. In addition, the City has deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,495,633	$ 9,377,722
Changes of assumptions	30,350,265	92,158,159
Benefit payments subsequent to measurement date	12,862,316	-
Total	$ 44,708,214	$ 101,535,881

Employer contribution subsequent to measurement date will be reported as deferred outflows of resources related to OPEB resulting from employer contributions subsequent to measurement date and will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2024.

As of September 30, 2023,amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2024	(9,926,186)
2025	(11,727,991)
2026	(15,023,302)
2027	(15,023,304)
2028	(17,989,200)
Total	$ (69,689,983)

Actuarial Methods and Assumptions

	Entry Age Normal
Cost Method	
Discount Rate*	4.40%
Healthcare Cost Trend Rate	3.94%

**Prior year discount rate was 2.19%*

The total OPEB liability at September 30, 2023 was based on October 1, 2021 valuation data using the following actuarial assumptions:

Medical Trend Assumptions:	
Rate of inflation	2.5%
Rate of growth in real income/GDP per capita	1.4%
Extra Trend due to Technology and other factors	1.0%
Expected Health Share of GDP in 2031	19.0%
Health Share of GDP Resistance Point	20.0%
Year for Limiting Cost Growth to GDP Growth	2075

Trends used in projecting Part B premiums through year 2030 are based on current law forecasts represented in the 2021 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and Federal Supplementary Medical Insurance Trust Funds dated August 31, 2021. After 2030 the assumed Part B premium trend rates are the same as rates used for medical costs and contributions inflation.

- Generally Healthy (Pre-Retirement)
  - Pub-2010 General - Employee Headcount - Weighted Mortality Projected with Fully Generational MP - 2019 Mortality Improvement Scale
- General Healthy (Post-Retirement)
  - Pub-2010 General - Healthy Retiree Headcount - Weighted Mortality Projected with Fully Generational MP-2019 Mortality Improvement Scale
- Police and Fire Healthy (Pre-Retirement)
  - Pub-2010 Public Safety - Employee - Employee Headcount - Weighted Mortality Projected with Fully Generational MP-2019 Mortality Improvement Scale Pre- Retirement
- Police and Fire (Pre-Retirement)

- Pub-2010 Public Safety - Healthy Retiree Headcount - Weighted Mortality Projected with Fully Generational MP-2019 Mortality Improvement Scale Pre-Retirement

- General Disabled
  - Pub-2010 General Disabled Retirees Headcount - Weighted Mortality Projected with Fully Generational MP-2019 Mortality Improvement Scale
- Police and Fire Disabled
  - Pub-2010 Public Safety Disabled Retirees Headcount - Weighted Mortality Projected with Fully Generational MP-2019 Mortality Improvement Scale

5. Contingencies

The City is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency, and which may result in disallowed expense amounts. These amounts, if any, constitute a contingent liability of the City. The City does not believe any contingent liabilities are material. Accordingly, such liabilities are not reflected within the financial statements.

The City currently prepares rebate calculations on all debt subject to arbitrage per the United States Department of the Treasury Regulations, Section 1.148, and the Internal Revenue Service Code of 1986. Rebates, if any, are paid to the Internal Revenue Service every fifth year after the year of issuance. Within the five-year period, any positive arbitrage (liability) can be offset by any negative arbitrage (non-liability). The City does not believe there are any arbitrage contingent liabilities that are material.

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

6. Subsequent Events

The issuance of the Utility Improvement Assessment Bonds, Series 2023 closed in November 2023 for $138 million to finance the costs of construction and installation of certain potable water, wastewater, and irrigation water utility capital improvements within the North 1 West Area, and refund a portion of the City's outstanding Water and Sewer Revenue Bonds, Series 2020. The loan will be secured by the special assessment revenues. The All-In-Interest rate is 5.65% and matures March 1, 2054.

The issuance of the Water and Sewer Revenue Bonds, Series 2023A closed in November 2023 for $100 million to finance the costs of the acquisition, construction, and equipping various capital improvements of the City's water and sewer utility system and refund a portion of the City's outstanding Water and Sewer Revenue Bonds, Series 2020. The loan will be secured by the net water and sewer system revenues. The All-In-Interest rate is 4.69% and matures October 1, 2053.

The issuance of the Stormwater Utility Revenue Bonds, Series 2023 closed in November 2023 for $12.3 million to finance the costs of various stormwater utility capital improvements to be constructed within the North 1 West Area, and refund a portion of the City's outstanding Water and Sewer Revenue Bonds, Series 2020. The loan will be secured by the net stormwater system revenues. The All-In-Interest rate is 4.44% and matures September 1, 2043.

The issuance of the Water & Sewer Refunding Revenue Bonds, Series 2023B closed in November 2023 for $4.3 million to refund the outstanding portion of the City's Water and Sewer Revenue Bond, Series 2020 and cover the North 1 East utilities project engineering and design. The loan will be secured by the net water & sewer system revenues. The All-In-Interest rate is 5.93% and matures December 1, 2024.


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Required Supplementary Information



BUDGETARY COMPARISION SCHEDULE
GENERAL FUND
For the Year Ended September 30, 2023

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes	$ 161,971,523	$ 161,971,523	$ 168,496,686	$ 6,525,163
Licenses and permits	39,128	39,128	48,337	9,209
Franchise fees	7,647,845	7,647,845	10,749,377	3,101,532
Intergovernmental	3,602,835	87,874,657	28,623,608	(59,251,049)
Charges for services	18,513,869	19,308,489	19,244,646	(63,843)
Fines and forfeitures	688,338	688,338	904,526	216,188
Rent and royalties	544,000	469,000	348,262	(120,738)
Investment earnings	2,300,000	2,300,000	4,985,382	2,685,382
Contributions and donations	77,987	77,987	63,451	(14,536)
Other revenue	680,999	2,136,087	4,985,306	2,849,219
Total revenues	196,066,524	282,513,054	238,449,581	(44,063,473)
EXPENDITURES				
Current:				
General government	48,783,852	147,250,886	127,248,412	20,002,474
Public Safety:				
Police	59,627,005	61,468,793	60,124,885	1,343,908
Public works	17,135,628	18,115,069	15,581,296	2,533,773
Parks and recreation	29,615,046	27,172,016	20,390,662	6,781,354
Community development	7,049,200	7,294,668	6,621,586	673,082
Capital outlay	6,659,497	9,219,154	5,819,441	3,399,713
Debt service:				
Principal	-	82,000	1,303,400	(1,221,400)
Interest and fiscal charges	-	13,000	5,982	7,018
Total expenditures	168,870,228	270,615,586	237,095,664	33,519,922
Excess (deficiency) of revenues over (under) expenditures	27,196,296	11,897,468	1,353,917	(10,543,551)
OTHER FINANCING SOURCES (USES)				
Transfers in	2,139,076	2,750,448	3,804,490	1,054,042
Transfers out	(47,674,669)	(62,805,642)	(62,621,367)	184,275
SBITA issuances	-	-	739,197	739,197
Proceeds on sale of capital assets	-	-	250,351	250,351
Reserves	-	(243,510)	-	243,510
Total other financing sources (uses)	(45,535,593)	(60,298,704)	(57,827,329)	2,471,375
Net change in fund balance	(18,339,297)	(48,401,236)	(56,473,412)	(8,072,176)
Budgetary fund balance - beginning as restated	(80,140,657)	(109,711,661)	130,010,811	(239,722,472)
Budgetary fund balance - ending	$ (98,479,954)	$ (158,112,897)	$ 73,537,399	$ (247,794,648)

The accompanying notes to the required supplementary information - budget comparisons are an integral part of this schedule

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FIRE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 1,196,267	$ 1,196,267	$ 1,196,266	$ (1)
Special assessments	30,913,113	30,913,113	31,638,763	725,650
Intergovernmental	50,000	2,339,001	1,006,874	(1,332,127)
Charges for services	488,669	488,669	955,775	467,106
Rent and royalties	-	170,000	172,669	2,669
Investment earnings (loss)	-	-	495,691	495,691
Contributions and donations	-	-	10	10
Other revenue	-	17,347	261,761	244,414
Total revenues	31,451,782	33,928,130	34,531,543	603,413
EXPENDITURES				
Public safety:				
Fire	49,794,704	52,284,946	50,611,706	1,673,240
Capital outlay	1,186,609	4,318,913	856,825	3,462,088
Total expenditures	50,981,313	56,603,859	51,468,531	5,135,328
Excess (deficiency) of revenues over (under) expenditures	(19,529,531)	(22,675,729)	(16,936,988)	5,738,741
OTHER FINANCING SOURCES (USES)				
Transfers in	(22,836,003)	(30,357,216)	30,357,216	-
Transfers out	4,502,739	5,405,699	(7,835,757)	2,430,058
Proceeds on sale of capital assets	-	(37,400)	66,857	(29,457)
Reserves	-	(3,509,455)	-	3,509,455
Total other financing sources (uses)	(18,333,264)	(28,498,372)	22,588,316	5,910,056
Net change in fund balances	$ (37,862,795)	$ (51,174,101)	5,651,328	$ 11,648,797
Fund balances - beginning			-	
Fund balances - ending			$ 5,651,328	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SOLID WASTE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ -	$ 20,899	$ 9,821	$ (11,078)
Charges for services	19,095,000	22,495,000	21,329,253	(1,165,747)
Investment earnings (loss)	-	-	553,139	553,139
Other revenue	-	-	119,533	119,533
Total revenues	19,095,000	22,515,899	22,011,746	(504,153)
EXPENDITURES				
Public works	18,120,370	21,610,439	21,227,020	383,419
Capital outlay	158,900	158,900	-	158,900
Total expenditures	18,279,270	21,769,339	21,227,020	542,319
Excess (deficiency) of revenues over (under) expenditures	815,730	746,560	784,726	38,166
OTHER FINANCING SOURCES (USES)				
Reserves	(815,730)	(746,560)	-	746,560
Total other financing sources (uses)	(815,730)	(746,560)	-	746,560
Net change in fund balances	$ -	$ -	784,726	$ 784,726
Fund balances - beginning			3,339,501	
Fund balances - ending			$ 4,124,227	

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION - SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
September 30, 2023

Budgetary Basis

The City adopts an annual appropriated budget for the General Fund, and the following Special Revenue Funds: gas tax, road impact fee, public safety impact fee, Do The Right Thing, police confiscation-federal, police confiscation-state, criminal justice education, park recreational facilities impact fee, all hazards, alarm fee, Del Prado Mall parking lot, lot mowing, economic development, building, Community Redevelopment Agency (CRA), Community Development Block Grant, HUD Neighborhood Stabilization, State Housing Initiative Partnership, Residential Construction Mitigation Program, charter school building maintenance and debt service funds. Capital projects are budgeted over the length of the project, except for the Disaster Improvement Fund. The budget to actual comparison for the general fund is presented on page 109 of the required supplementary information. The budget to actual comparison for other governmental funds are presented on pages 135-156 of the combining statements.

Budgetary Information

The following procedures are used in establishing the legally adopted budgetary data reflected in the financial statements.

1. In the month of July, the City Manager submits to the City Council, a Proposed Operating Budget for the fiscal year commencing the following October. The Proposed Operating Budget includes the fiscal year expenditures and the means of financing them.
2. Public hearings and Budget workshops are conducted to obtain taxpayer comments.
3. On or before September 30th, the budget is legally enacted by the City Council through passage of an ordinance as required by City Charter and an ordinance for setting the millage rate is passed as required by the State of Florida.
4. The City Manager can authorize changes within a fund; however, any other revisions require approval of the City Council.
5. Budgets for all funds are prepared on the modified accrual basis, which means it conforms to Generally Accepted Accounting Principles (GAAP) except for a few notable differences listed below. These variances are necessitated to comply with state regulations requiring an appropriation for all activity.
    a. Lease and financing proceeds are included as revenue.
    b. Principal payments on debt are included as expenditures.
    c. Cash outlay for both equipment and capital projects are included as expenditures.
    d. Depreciation expense and other non-cash expenses such as Other Post-Employment Benefits (OPEB), amortization of bond premiums, and bond discounts are not included.

    Consistent with the State of Florida, the use of reserves is reported as expenditures in the budget. Annual appropriated budgets are adopted for the General, Special Revenue, and the Debt Service Funds. Project-length financial plans and budgets are adopted for the Capital Project Funds except for the Disaster Improvement Fund.
6. Expenditures may not legally exceed appropriations at the fund level.

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL GENERAL EMPLOYEES
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	$ 11,471,969	$ 11,267,191	$ 10,641,085	$ 9,702,591	$ 8,754,130	$ 8,645,641	$ 7,581,291	$ 6,787,332	$ 6,345,174	$ 6,326,371
Interest	32,995,487	31,774,326	30,358,419	28,657,931	27,287,081	25,456,382	23,613,678	21,003,661	19,926,291	18,821,859
Differences Between Expected and Actual Experience	1,870,570	(2,442,275)	(31,155)	5,174,809	95,516	6,086,590	4,417,837	3,893,760	(867,289)	-
Changes of Assumptions[2]	-	9,234,795	7,514,792	10,824,849	10,496,250	-	5,853,087	14,374,009	-	-
Contributions - Buy Back	169,939	235,906	393,905	649,586	672,804	52,107	116,662	73,024	248,187	-
Benefit Payments, Including Refunds of Employee Contributions	(23,752,121)	(21,263,326)	(19,091,659)	(18,156,986)	(17,200,561)	(15,636,445)	(13,516,268)	(12,979,936)	(11,406,026)	(10,426,554)
Net Change in Total Pension Liability	22,755,844	28,806,617	29,785,387	36,852,780	30,105,220	24,604,275	28,066,287	33,151,850	14,246,337	14,721,676
Total Pension Liability - Beginning	482,090,027	453,283,410	423,498,023	386,645,243	356,540,023	331,935,748	303,869,461	270,717,611	256,471,274	241,749,598
Total Pension Liability - Ending (a)	$ 504,845,871	$ 482,090,027	$ 453,283,410	$ 423,498,023	$ 386,645,243	$ 356,540,023	$ 331,935,748	$ 303,869,461	$ 270,717,611	$ 256,471,274
Plan Fiduciary Net Position										
Contributions - Employer	$ 16,935,472	$ 17,419,260	$ 17,357,852	$ 18,959,393	$ 22,477,239	$ 20,688,397	$ 18,745,018	$ 16,703,284	$ 15,896,933	$ 14,847,599
Contributions - Employee	6,534,848	5,669,300	5,393,563	5,288,866	5,049,654	4,819,442	4,575,819	4,110,347	3,900,545	3,740,529
Contributions - Buy Back	169,939	235,906	393,905	649,586	672,804	52,107	116,662	73,024	248,187	-
Net Investment Income	33,677,071	(47,359,021)	69,178,549	22,790,668	11,709,295	17,805,569	27,633,022	17,442,740	(2,670,840)	17,248,123
Benefit Payments, Including Refunds of Employee Contributions	(23,752,121)	(21,263,326)	(19,091,659)	(18,156,986)	(17,200,561)	(15,636,445)	(13,516,268)	(12,979,936)	(11,406,026)	(10,426,554)
Administrative Expenses	(330,514)	(324,151)	(293,393)	(308,498)	(288,372)	(279,364)	(211,781)	(178,584)	(219,890)	(209,604)
Net Change in Plan Fiduciary Net Position	33,234,695	(45,622,032)	72,938,817	29,223,029	22,420,059	27,449,706	37,342,472	25,170,875	5,748,909	25,200,093
Plan Fiduciary Net Position - Beginning	368,277,285	413,899,317	340,960,500	311,737,471	289,317,412	261,867,706	224,525,234	199,354,359	193,605,450	168,405,357
Plan Fiduciary Net Position - Ending (b)	401,511,980	368,277,285	413,899,317	340,960,500	311,737,471	289,317,412	261,867,706	224,525,234	199,354,359	193,605,450
Net Pension Liability - Ending (a) - (b)	$ 103,333,891	$ 113,812,742	$ 39,384,093	$ 82,537,523	$ 74,907,772	$ 67,222,611	$ 70,068,042	$ 79,344,227	$ 71,363,252	$ 62,865,824
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	79.53%	76.39%	91.31%	80.51%	80.63%	81.15%	78.89%	73.89%	73.64%	75.49%
Covered Payroll[1]	$ 63,833,134	$ 55,123,814	$ 52,100,221	$ 50,759,722	$ 48,175,089	$ 45,670,445	$ 43,023,377	$ 38,839,907	$ 43,059,029	$ 36,210,403
Net Pension Liability as a Percentage of Covered Payroll	161.88%	206.47%	75.59%	162.60%	155.49%	147.19%	162.86%	204.29%	165.73%	173.61%

Notes to Schedule:

[1] The covered payroll numbers shown are in compliance with GASB 82.

[2] *Changes of Assumptions:*

For measurement date 9/30/2023:

- The assumed rate of investment return was reduced from 7.00% to 6.85% per year, net of investment-related expenses.
- Assumed salary increase rates, withdrawal rates, and retirement rates were adjusted to better align with recent plan experience.

For measurement date 9/30/2016, as mandated by Chapter 2015-157, Laws of Florida, the assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS valuation report for non-special-risk employees, with appropriate adjustments made based on plan demographics.

SCHEDULE OF CONTRIBUTIONS
MUNICIPAL GENERAL EMPLOYEES
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll[1]	Contributions as a Percentage of Covered Payroll
2023	$ 15,441,775	$ 16,935,472	$ (1,493,697)	$ 63,833,134	26.53%
2022	17,419,260	17,419,260	-	55,123,814	31.60%
2021	17,357,852	17,357,852	-	52,100,221	33.32%
2020	18,959,393	18,959,393	-	50,759,722	37.35%
2019	22,477,239	22,465,625	11,614	48,175,089	46.63%
2018	20,676,783	20,688,397	(11,614)	45,670,445	45.30%
2017	18,745,018	18,745,018	-	43,023,377	43.57%
2016	16,709,229	16,703,284	5,945	38,839,907	43.01%
2015	15,890,988	15,896,933	(5,945)	43,059,029	36.92%
2014	14,847,599	14,847,599	-	36,210,403	41.00%

[1] The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: 10/01/21

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
The following loads are applied for determination of the Sponsor funding requirement:
Interest - 6.85% per year compounded annually, net of investment expense
Salary - 0% per year based on the September 12, 2022 experience study.

Mortality Rates: The following assumption rates were mandated by Chapter 2015-157, Laws of Florida.
This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The following rates are those outlined in Milliman's July 1, 2019 FRS valuation report for non-special risk lives.
We feel this assumption sufficiently accommodates future mortality improvements.

Healthy Active Lives:
Female: PubG.H-2010 (Above Median) for Employees.
Male: PubG.H-2010 for Employees set back one year.
Healthy Retiree Lives
Female: PubG.H-2010 for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Beneficiary Lives
Female: PubG.H-2010 (Below Median) for Healthy Retirees.
Male: PubG.H-2010 for Healthy Retirees, set back one year.
Disabled Lives:
PubG.H-2010 for Disabled Retirees, set forward three years.

Disability Rates: None. Since this Plan has no explicit disability benefit, the incidence of disability is included in the withdrawal rates disclosed on the following page. This change was adopted by the Board as a result of the September 27, 2017 experience study.

Withdrawal:

% Terminating During the year		
Service	Age	Probability of Retirement
0-1	Less than 45	13.50%
0-1	45+	9.00%
2-9	Less than 35	9.00%
2-9	35+	5.00%
10+	Any	3.00%

Retirement:

% Retiring During the Year (10-24 Years of Service)	
Age	Probability of Retirement
50-59	4.00%
60+	40.00%

% Retiring During the Year (10-24 Years of Service)	
Service	Probability of Retirement
25-26	75.00%
27+	100.00%

The above rates were adopted as the result of the September 27, 2017 experience study.

Salary Increases:

Credited Service	Assumption
less than 5	8.00%
5-9	5.50%
10-19	5.00%
20 or more	4.50%

This assumption was adopted based on the September 27, 2017 experience study.

Asset Valuation Method:

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Fair Value return. It is possible that over time this technique will produce an insignificant bias above or below fair value.

SCHEDULE OF INVESTMENT RETURNS
MUNICIPAL GENERAL EMPLOYEES
Last 10 Fiscal Years

Year Ended September 30,	Rate of Return
2023	9.13%
2022	(11.45%)
2021	20.23%
2020	7.27%
2019	3.99%
2018	6.72%
2017	12.13%
2016	8.66%
2015	(1.36%)
2014	10.04%

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL POLICE OFFICERS
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	$ 7,284,702	$ 7,172,552	$ 6,182,570	$ 5,375,282	$ 4,746,107	$ 4,936,597	$ 4,788,378	$ 4,597,357	$ 4,181,795	$ 4,249,385
Interest	19,881,883	18,633,030	17,157,941	16,239,285	15,544,850	14,366,974	13,168,259	11,714,484	11,186,338	10,547,735
Change in Excess State Money	-	-	-	-	-	-	(1,653,314)	379,832	256,415	209,437
Share Plan Allocation	1,036,544	654,121	441,462	394,476	351,146	187,505	1,735,860	-	-	-
Changes of Benefit Terms[2]	-	3,241,056	-	-	-	680,569	-	-	-	-
Differences Between Expected and Actual Experience	1,123,951	2,194,299	3,985,200	2,196,396	(2,672,118)	3,478,195	2,007,169	2,017,708	(2,507,874)	-
Contributions - Buy Back	196,722	194,703	208,750	28,058	25,462	99,776	190,028	105,656	-	-
Changes of Assumptions[3]	-	-	7,384,383	4,072,864	5,410,152	-	-	6,709,188	-	-
Benefit Payments, Including Refunds of Employee Contributions	(11,521,328)	(10,718,875)	(9,414,023)	(8,538,361)	(7,641,017)	(7,719,306)	(6,783,071)	(6,370,968)	(6,551,123)	(6,427,849)
Net Change in Total Pension Liability	18,002,474	21,370,886	25,946,283	19,768,000	15,764,582	16,030,310	13,453,309	19,153,257	6,565,551	8,578,708
Total Pension Liability - Beginning	282,502,863	261,131,977	235,185,694	215,417,694	199,653,112	183,622,802	170,169,493	151,016,236	144,450,685	135,871,977
Total Pension Liability - Ending (a)	$300,505,337	$282,502,863	$261,131,977	$235,185,694	$215,417,694	$199,653,112	$183,622,802	$170,169,493	$151,016,236	$144,450,685
Plan Fiduciary Net Position										
Contributions - Employer	$ 9,880,446	$ 8,856,305	$ 7,998,998	$ 7,349,653	$ 6,393,072	$ 7,917,299	$ 7,111,509	$ 6,875,656	$ 6,995,863	$ 6,660,536
Contributions - State	2,285,409	1,901,563	1,687,523	1,639,195	1,594,562	1,429,657	1,323,470	1,256,354	1,132,937	1,085,959
Contributions - Employee	2,674,874	2,233,678	2,111,724	1,994,280	1,691,707	1,622,967	1,701,463	1,553,768	1,454,685	1,326,883
Contributions - Buy Back	196,722	194,703	208,751	28,058	25,462	99,776	190,028	105,656	-	-
Net Investment Income	20,066,612	(30,453,611)	44,544,230	13,927,953	4,770,054	11,534,774	17,760,238	10,749,925	128,262	10,828,135
Benefit Payments, Including Refunds of Employee Contributions	(11,521,328)	(10,718,875)	(9,419,561)	(8,532,822)	(7,651,072)	(7,719,306)	(6,783,071)	(6,370,968)	(6,551,123)	(6,427,849)
Administrative Expenses	(165,315)	(122,974)	(107,188)	(114,403)	(127,399)	(116,691)	(105,797)	(112,350)	(132,861)	(112,882)
Net Change in Plan Fiduciary Net Position	23,417,420	(28,109,211)	47,024,477	16,291,914	6,696,386	14,768,476	21,197,840	14,058,041	3,027,763	13,360,782
Plan Fiduciary Net Position - Beginning	218,081,851	246,191,062	199,166,585	182,874,671	176,178,285	161,409,809	140,211,969	126,153,928	123,126,165	109,765,383
Plan Fiduciary Net Position - Ending (b)	$241,499,271	$218,081,851	$246,191,062	$199,166,585	$182,874,671	$176,178,285	$161,409,809	$140,211,969	$126,153,928	$123,126,165
Net Pension Liability - Ending (a) - (b)	$ 59,006,066	$ 64,421,012	$ 14,940,915	$ 36,019,109	$ 32,543,023	$ 23,474,827	$ 22,212,993	$ 29,957,524	$ 24,862,308	$ 21,324,520
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	80.36%	77.20%	94.28%	84.68%	84.89%	88.24%	87.90%	82.40%	83.54%	85.24%
Covered Payroll[1]	$ 26,748,696	$ 22,319,733	$ 21,135,358	$ 19,936,330	$ 16,920,926	$ 16,230,230	$ 17,014,603	$ 15,813,229	$ 18,006,886	$ 12,835,801
Net Pension Liability as a Percentage of Covered Payroll	220.59%	288.63%	70.69%	180.67%	192.32%	144.64%	130.55%	189.45%	138.07%	166.13%

Notes to Schedule:

[1] The covered payroll numbers shown are in compliance with GASB 82.

[2] *Changes of benefit terms:*
For measurement date 09/30/2022, amounts reported as changes of benefit terms resulted from Ordinance 98-22

[3] *Changes of assumptions:*
For measurement date 09/30/2022, amounts reported as changes of assumptions resulted from lowering the investment return from 7.25% to 7.00%, net of investment related expenses.

SCHEDULE OF CONTRIBUTIONS
MUNICIPAL POLICE OFFICERS
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered Payroll[1]	Contributions as a Percentage of Covered Payroll
2023	$ 11,129,311	$ 11,129,311	$ -	$ 26,748,696	41.61%
2022	10,187,698	10,103,747	83,951	22,319,733	45.27%
2021	9,161,107	9,245,058	(83,951)	21,135,358	43.74%
2020	8,773,241	8,594,372	178,869	19,936,330	43.11%
2019	9,307,391	7,636,488	1,670,903	16,920,926	45.13%
2018	8,656,859	9,159,451	(502,592)	16,230,230	56.43%
2017	7,582,575	8,352,433	(769,858)	17,014,603	49.09%
2016	7,433,901	7,752,178	(318,277)	15,813,229	49.02%
2015	7,613,340	7,872,385	(259,045)	18,006,896	43.72%
2014	7,537,058	1,537,058	6,000,000	12,835,801	11.97%

[1] The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule

Valuation Date: 10/1/2022

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method: Entry Age Normal Actuarial Cost Method.
The following loads are applied for determination of the Sponsor funding requirement:
Interest - 7.00% Per Year, Compounded Annually, Net of Investment Related Expenses.
Salary Increases - <5 years of service 10%, 5-15 years of service, 7%, > 15 years of service 6%

Mortality Rate: Rates for healthy active and retiree lives were based on the PubS.H-210 Public Retirement Plans Mortality Table set forward one year. Beneficiary lives were based on the PubG.H-2010 Public Retirement Public Retirement Plans Mortality Table set back one year for males. Disabled lives are 80% PubG.H-2010 and 20% PubS.H-2010.

Early Retirement:

% Retiring During the Year
10-24 Years of Service

Age	Rate
40-44	2.00%
45-49	5.00%
50	50.00%
51-54	25.00%
55+	100.00%

Normal Retirement:

% Retiring During the Year
>= 25 Years of Service

Age	Rate
25	50.00%
26	100.00%
27+	100.00%

Termination Rates:

Credited Service	Termination Probability
0	15.00%
1-4	5.00%
5-14	3.00%

Disability Rates:

Age	% Becoming Disabled During the Year
20	0.31%
25	0.31%
30	0.35%
35	0.39%
40	0.73%
45	1.30%
50	2.57%
55	5.35%
60	9.67%
65	16.79%

It is assumed that 75% of Disability Retirements are service-related.

Interest Rate:

7.00% per year compounded annually, net of investment related expenses. This assumption is supported by the Plan's investment policy and long-term expected returns by asset class.

Asset Smoothing Methodology:

The actuarial value of assets is brought forward using the historical four-year geometric average of Fair Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the fair value of assets.

Termination Rates:

Credited Service	Termination Probability
0	15.00%
1 - 4	5.00%
5 - 14	3.00%

The above rates are supported by an Experience Study dated Nobember 25, 2019.

Salary Increases:

Credited Service	Assumption
less than 5 years	10.00%
5-15 years	7.00%
more than 15 years	6.00%

The above rates are supported by an Experience Study dated Nobember 25, 2019.

Final Year Salary Load:

Years of Credited Service as of February 7, 2012	Assumption
Less than 10 years	5.00%
10 or more years	10.00%

The above rates are supported by data provided by the City.

Payroll Growth Assumption:

0.00% per year for amortization of the Unfunded Actuarial Accrued Liability. This assumption is limited by statute to the actual ten-year payroll growth average as of the valuation date.

SCHEDULE OF INVESTMENT RETURNS
MUNCIPAL POLICE OFFICERS
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution
9/30/2023	9.16%
9/30/2022	(12.37%)
9/30/2021	22.35%
9/30/2020	7.62%
9/30/2019	2.69%
9/30/2018	7.10%
9/30/2017	12.59%
9/30/2016	8.47%
9/30/2015	0.10%
9/30/2014	0.77%

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
MUNICIPAL FIREFIGHTERS'
Last 10 Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Pension Liability										
Service Cost	$ 7,764,764	$ 7,458,923	$ 6,390,591	$ 5,758,437	$ 4,820,664	$ 4,578,362	$ 4,266,311	$ 4,009,132	$ 4,102,490	$ 3,832,937
Interest	20,436,609	19,626,774	18,670,799	17,469,387	16,655,584	15,851,720	15,178,381	13,798,633	12,898,695	12,184,828
Change in Excess State Money[2]	484,270	286,716	213,807	166,023	131,691	70,874	-	-	-	(1,825,958)
Changes of Benefit Terms	-	-	-	-	(52,873)	-	-	-	-	-
Differences Between Expected and Actual Experience	2,219,734	(2,550,003)	391,112	(1,111,697)	734,135	201,394	1,557,771	(260,997)	1,438,736	-
Changes of Assumptions[3]	-	10,208,423	8,344,442	5,369,128	12,355,862	-	(3,502,874)	8,638,016	-	2,832,093
Contributions - Buy Back	20,470	107,038	36,121	29,976	163,001	83,609	-	179,583	33,685	-
Benefit Payments, Including Refunds of Employee Contributions	(13,304,028)	(12,245,769)	(11,848,601)	(11,303,750)	(10,728,745)	(10,200,707)	(7,933,230)	(7,159,967)	(6,376,309)	(7,469,627)
Net Change in Total Pension Liability	17,621,819	22,892,102	22,198,271	16,377,504	24,079,319	10,585,252	9,566,359	19,204,400	12,097,297	9,554,273
Total Pension Liability - Beginning	$ 302,520,937	$ 279,628,835	$ 257,430,564	$ 241,053,060	$ 216,973,741	$ 206,388,489	$ 196,822,130	$ 177,617,730	$ 165,520,433	$ 155,966,160
Total Pension Liability - Ending (a)	$ 320,142,756	$ 302,520,937	$ 279,628,835	$ 257,430,564	$ 241,053,060	$ 216,973,741	$ 206,388,489	$ 196,822,130	$ 177,617,730	$ 165,520,433
Plan Fiduciary Net Position										
Contributions - Employer	$ 9,798,159	$ 9,585,536	$ 8,850,286	$ 9,833,400	$ 10,249,919	$ 10,095,728	$ 8,759,719	$ 8,424,472	$ 7,706,894	$ 6,047,404
Contributions - State	2,283,482	1,888,374	1,742,556	1,646,987	1,578,326	1,456,689	1,445,431	1,449,699	1,306,968	1,521,432
Contributions - Member Repayments	228	-	-	-	-	-	-	-	-	-
Contributions - Employee	2,485,907	2,137,414	1,952,919	1,781,178	1,655,650	1,523,514	1,450,606	1,292,651	1,338,752	1,315,620
Contributions - Buy Back	20,470	107,038	36,121	29,976	163,001	83,609	-	179,583	33,685	-
Net Investment Income	20,875,015	(30,558,751)	43,850,239	13,999,209	5,963,226	12,332,387	17,336,661	13,139,913	(460,924)	10,951,006
Benefit Payments, Including Refunds of Employee Contributions	(13,304,028)	(12,245,769)	(11,848,601)	(11,303,750)	(10,728,745)	(10,200,707)	(7,933,230)	(7,159,967)	(6,376,309)	(7,469,627)
Administrative Expenses	(172,422)	(208,161)	(154,589)	(140,915)	(130,419)	(145,017)	(161,973)	(152,949)	(164,111)	(103,859)
Net Change in Plan Fiduciary Net Position	21,986,811	(29,294,319)	44,428,931	15,846,085	8,750,958	15,146,203	20,897,214	17,173,402	3,384,955	12,261,976
Plan Fiduciary Net Position - Beginning	223,878,593	253,172,912	208,743,981	192,897,896	184,146,938	169,000,735	148,103,521	130,930,119	127,545,164	115,283,188
Plan Fiduciary Net Position - Ending (b)	$ 245,865,404	$ 223,878,593	$ 253,172,912	$ 208,743,981	$ 192,897,896	$ 184,146,938	$ 169,000,735	$ 148,103,521	$ 130,930,119	$ 127,545,164
Net Pension Liability - Ending (a) - (b)	$ 74,277,352	$ 78,642,344	$ 26,455,923	$ 48,686,583	$ 48,155,164	$ 32,826,803	$ 37,387,754	$ 48,718,609	$ 46,687,611	$ 37,975,269
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	76.80%	74.00%	90.54%	81.09%	80.02%	84.87%	81.88%	75.25%	73.71%	77.06%
Covered Payroll[1]	$ 24,859,064	$ 21,374,150	$ 19,529,190	$ 17,816,392	$ 16,556,504	$ 15,235,145	$ 14,509,395	$ 13,056,409	$ 14,588,691	$ 12,722,509
Net Pension Liability as a Percentage of Covered Payroll	298.79%	367.93%	135.47%	273.27%	290.85%	215.47%	257.68%	373.14%	320.03%	298.49%

Notes to Schedule:

[1] The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

[2] *Changes in Excess State Money:*

The Excess State Monies Reserve as of September 30, 2013 will be available to the City to offset the Fiscal 2014 contributions.

- For valuation dates on and after October 1, 2013 and until such time that the Retirement Plan reaches 80% funded (based on the ratio of the Actuarial Value of Assets to Actuarial Accrued Liability) all future State Monies in excess of the current $1,314,942 frozen amount will be split as follows:
  - 50% will be available to defray the City's contribution requirement
  - 50% will go towards accelerating the pay down of the Unfunded Actuarial Accrued Liability (UAAL)

[3] *Changes of Assumptions:*

For measurement date 9/30/2023, there were no changes of assumptions.

For measurement date September 30, 2022, amounts reported as changes of assumptions resulted from an actuarial experience study:

- A reduction in the investment return assumption from 7.00% to 6.75%.
- A reduction in the assumed rates of disability at all ages by 25%.
- A change in the assumed rates for salary increases from a flat 7.50% to a service based schedule.
- A reduction in the assumed rates of retirement for members younger than age, 56, in addition to members retiring with less than 27 years of Credited Service.

SCHEDULE OF CONTRIBUTIONS
MUNICIPAL FIRE EMPLOYEES
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contributions[2]	Contribution Deficiency (Excess)	Covered Payroll[1]	Contributions as a Percentage of Covered Payroll
2023	$ 10,665,913	$ 11,597,371	$ (931,458)	$ 24,859,064	46.65%
2022	11,010,833	11,187,194	(176,361)	21,374,150	52.34%
2021	10,310,977	10,379,035	(68,058)	19,529,190	53.15%
2020	11,254,948	11,314,365	(59,417)	17,816,392	63.51%
2019	11,697,566	11,564,864	132,702	16,556,504	69.85%
2018	11,496,375	11,481,544	14,831	15,235,145	75.36%
2017	10,015,294	10,139,905	(124,611)	14,509,395	69.89%
2016	9,655,384	9,806,793	(151,409)	13,056,409	75.11%
2015	9,013,862	9,013,862	-	14,588,691	61.79%
2014	9,104,319	9,188,304	(83,985)	12,722,509	72.22%

[1] The covered payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

[2] Including amounts from Excess State Money Reserve.

Notes to Schedule

Valuation Date: 10/1/2022

Actuarially determined contribution rates are calculated as of October 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Funding Method:	Entry Age Normal Actuarial Cost Method. The following loads are applied for determination of the Sponsor funding requirement: Interest - half a year based on the 7.25% assumption. Salary - a full year, based on the current 7.50% assumption.
Mortality:	Active and retiree lives use PubS.H-210 set forward one year, beneficiary lives use PubG.H-2010 except males set back one year. Disabled lives are 80% PubG.H-210/20% PubS.H-210.
Interest Rate:	7.25% per year, compounded annually, net of investment related expenses. We will continue to monitor this assumption against the expected asset allocation and future returns by asset class.
Normal Retirement:	For Members with less than 25 years of Credited Service: 2% for ages 40-49, 40% for ages 50-51, 15% for ages 52-55, 25% for ages 56-59 and 100% for ages 60 and above. For Members with at least 25 years of Credited Service: 100%.
Early Retirement:	Age 40 and completion of 10 years of credited service.
Disability:	See table below. It is assumed that 75% of Disability Retirements are service-related. This assumption is based on the experience study dated November 30, 2017.
Termination :	4.00% for Members with less than 5 years of Credited Service; 1.00% for Members with at least 5 years of Credited Service. The assumption is based on the experience study dated November 30, 2017.
Benefit Cap Index:	1.00% assumption each year beginning in 2018.
Asset Smoothing Methodology:	The Actuarial Value of Assets is brought forward using the historical four-year geometric average of Fair Value Returns (net-of-fees). Over time, this may result in an insignificant bias that is above or below the fair value of assets.
Salary Increases:	7.50% per year. We will continue to monitor this assumption to ensure it is in line with actual plan experience.

Final Year Salary Load:

Years of Credited Service as of February 7, 2012	Assumption
0	No load
Less than 10 years	5.00%
10 or more years	10.00%

Payroll Growth: 1.41% per year.

Disability Rate Table:

Age	% Becoming Disabled During the Year
20	0.08%
25	0.08%
30	0.09%
35	0.10%
40	0.18%
45	0.33%
50	0.64%
55	1.34%
60	2.42%
65	4.20%

SCHEDULE OF INVESTMENT RETURNS
MUNCIPAL FIRE EMPLOYEES
Last 10 Fiscal Years

Fiscal Year Ended	Actuarially Determined Contribution
9/30/2023	9.33%
9/30/2022	(12.10%)
9/30/2021	21.11%
9/30/2020	7.26%
9/30/2019	3.23%
9/30/2018	7.28%
9/30/2017	11.64%
9/30/2016	9.99%
9/30/2015	(0.36%)
9/30/2014	9.48%

SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY AND RELATED RATIOS
GENERAL EMPLOYEES PENSION RESTORATION
Last 4 Fiscal Years

	2023	2022	2021	2020
Total Pension Liability				
Interest	$ 104,688	$ 144,991	$ 79,957	$ -
Changes of Benefit Terms	-	-	-	3,736,313
Differences Between Expected and Actual Experience	(1,002,651)	(2,388,326)	2,650,881	-
Changes of Assumptions	(22,500)	(1,493,967)	(425,922)	-
Benefits Paid by Employer	(34,135)	(34,713)	(74,502)	-
Net Change in Total Pension Liability	(954,598)	(3,772,015)	2,230,414	3,736,313
Total Pension Liability - Beginning	2,194,712	5,966,727	3,736,313	-
Total Pension Liability - Ending	1,240,114	2,194,712	5,966,727	3,736,313
Covered Employee Payroll	$ 59,395,612	$ 54,275,577	$ 52,632,964	$ 50,097,008
Total Pension Liability as a Percentage of Covered Payroll	2.09%	4.04%	11.34%	7.46%

Notes to Schedule:

Plan became effective as of April 20, 2020.

Changes of Assumptions:

For measurement date 9/30/2023, amounts reported as changes of assumptions resulted from:

- The Discount Rate increased from 4.77% to 4.87%
- Assumed salary increase rates, withdrawal rates, and retirement rates were adjusted to better align with recent plan experience
- The Entry Age Cost Allocation Method was changed to spread costs over a period beginning with the Member's date of hire instead of the first valuation date following date of hire.

The plan is not prefunded, so no assets are available to offset the total pension liability

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
Fiscal Year 2023

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service cost	$ 11,185,690	$ 10,871,523	$ 9,623,726	$ 7,695,292	$ 8,055,888	$ 8,600,831
Interest	7,626,859	7,798,633	8,260,798	10,458,834	9,731,792	8,916,244
Changes in assumptions	(107,935,188)	15,551,925	16,476,563	66,958,465	(13,273,023)	(18,105,757)
Experience Losses/(Gains)	-	2,243,449	-	(46,888,614)	-	-
Benefit payments	(12,098,514)	(11,505,202)	(10,812,769)	(10,246,178)	(9,489,255)	(8,472,549)
Net Changes	(101,221,153)	24,960,328	23,548,318	27,977,799	(4,974,598)	(9,061,231)
Total OPEB Liability, beginning	354,307,674	329,347,346	305,799,028	277,821,229	282,795,827	291,857,058
Total OPEB Liability, ending	$ 253,086,521	$ 354,307,674	$ 329,347,346	$ 305,799,028	$ 277,821,229	$ 282,795,827
Covered employee payroll	$ 113,353,508	$ 113,353,508	$ 105,707,947	$ 101,978,134	$ 94,597,857	$ 89,470,659
Total OPEB liability as a percentage of covered employee payroll	223.27%	312.57%	311.56%	299.87%	293.69%	316.08%

Other items:

This information is required for 10 years, however, only 5 years of information is available as GASB Statement 75 was implemented beginning in Fiscal Year 2018, limiting the data available.

Notes to Schedule:

Benefit changes: None

Changes of assumptions: The discount rate was changed as follows:

	Discount Rate:
9/30/2018	3.50%
9/30/2019	3.83%
9/30/2020	2.75%
9/30/2021	2.41%
9/30/2022	2.19%
9/30/2023	4.40%

There are no assets accumulated or earmarked for a separate trust for retiree benefits.


Cape Coral
FLORIDA

Combining Statements & Schedules



NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

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

- Gas Tax Fund – used to account for the Local Option (6¢) and New Local Option (5¢) Taxes which are used for construction of new roads, reconstruction or resurfacing of existing paved roads, and related items.
- Road Impact Fee Fund – used to account for the impact fees that are used to provide new roads.
- Public Safety Impact Fee Fund – used to account for Police Protection, Advanced Life Support, and Fire & Rescue impact fees which are used for the purchase of capital improvements consisting of land, buildings, vehicles, and equipment for police protection services, advanced life support program and fire public safety facilities.
- Do The Right Thing Fund – this program is sponsored by the Police Department and rewards the youth population in the community for "doing the right thing". This fund was established to account for the program donations that are used to offset the operating expenses of the program to include prizes and rewards for the program recipients.
- Police Confiscation-Federal Fund – used to account for monies received from federal confiscation cases and used to purchase equipment for the Police Department.
- Police Confiscation-State Fund – used to account for monies received from the sale of confiscated items in nonfederal cases and used to purchase equipment for the Police Department. This also includes the Police Evidence Fund.
- Criminal Justice Education Fund – used to account for monies received from the assessment of mandatory court costs and used for criminal justice education and training.
- Park Recreational Facilities Impact Fee Fund – used to account for impact fees which are used to provide recreational park facilities.
- All Hazards Fund – used to account for monies collected by Lee County in the All Hazards Protection District for the funding of shelters, emergency preparedness, and hazardous material response programs.
- Alarm Fee Fund – is used to account for fees and fines collected by the City in connection with initial installation and false alarms thereafter.
- Del Prado Mall Parking Lot Fund – is used to account for collection of special assessments for the Del Prado Mall parking lot.
- Lot Mowing Fund – is used to account for the mowing of vacant unimproved property.
- Economic Development Fund – to support the economic development office of the City of Cape Coral.
- Building Fund – used to account for building and permitting services related to construction within the City of Cape Coral.
- Community Redevelopment Agency (CRA) Fund – used to account for the activities of the community redevelopment agency.
- Community Development Block Grant (CDBG) Fund – used to account for monies received from the U.S. Department of Housing and Urban Development for community development.
- HUD Neighborhood Stabilization Fund – used to account for monies received from the U.S. Department of Housing and Urban Development to provide targeted emergency assistance to the City to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within the community.
- State Housing Initiative Partnership (S.H.I.P.) Fund – used to account for monies received from the State Housing Initiatives Partnership Program to provide assistance to low and moderate income families for the purpose of obtaining affordable housing in the City.

- Residential Construction Mitigation Program Fund – used to account for monies received from the Florida Division of Emergency Management Residential Construction Mitigation Program (RCMP) to improve the wind resistance of residences.
- Charter School Building Maintenance Fund - used to account for a portion of Public Service Tax collections as well as City funding used to maintain and repair City-own Charter School facilities.
- Debt Service Fund – Used to account for the City's debt service.

CAPITAL PROJECTS FUNDS

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

- Disaster Improvement Fund – used to account for the clean-up from local disasters.
- Charter School Capital Project Fund – used to account for capital projects at City owned Charter School buildings.
- Transportation Capital Improvements Fund – used to account for transportation related capital projects
- Parks Capital Improvements Fund - used to account for the improvements at various parks.
- Building Capital Improvements Fund – used to account for improvements at various City buildings.
- Other Capital Improvements Fund - used to account for the following projects:
  - Fire Station Construction – used to account for the design and construction of fire stations and a training facility.
  - CRA – used to account for capital improvements in the CRA district including replacement of walking paths, landscaping, Lafayette Street lights and Vincennes Boulevard parking lot.
  - Bridge Fund - used to account for the design and construction of Bridges into the City of Cape Coral.
  - Academic Village – used to account for the improvement of the Academic Village.
  - Computer System – used to account for enhancements and upgrades to various computer systems.
  - Police Training Facility – used to help train and prepare the police department for real world situations.


Cape Coral
FLORIDA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

	Special Revenue					
	Gas Tax	Road Impact Fee	Public Safety Impact Fee	Do the Right Thing	Police Confiscation Federal	Police Confiscation State
ASSETS						
Cash and investments	$ 16,338,602	$ 43,701,505	$ 3,027,317	$ 23,331	$ 696,142	$ 519,878
Interest receivable	33,180	215,462	13,674	-	-	-
Accounts receivable, net	-	-	-	-	-	-
Intergovernmental receivable	1,909,832	-	-	-	-	9,000
Notes receivable	-	-	-	-	-	-
Lease receivable	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	18,281,614	43,916,967	3,040,991	23,331	696,142	528,878
LIABILITIES						
Accounts payable and other accrued liabilities	134,170	-	-	327	-	-
Accrued retainage	7,062	-	-	-	-	-
Accrued payroll	7,130	-	-	-	-	-
Due to other funds	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Intergovernmental payables	-	-	-	-	-	42,046
Unearned revenue	-	-	-	-	-	26,710
Advances from other funds	-	-	-	-	-	-
Total liabilities	148,362	-	-	327	-	68,756
DEFERRED INFLOW OF RESOURCES						
Unavailable revenue - grant reimbursements	-	-	-	-	-	-
Unavailable revenue - other	-	-	-	-	-	-
Deferred Inflow - lease	-	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-	-
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted						
General government	-	-	-	-	-	-
Public safety	-	-	3,040,991	23,004	696,142	460,122
Public works	18,133,252	43,916,967	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Debt Service	-	-	-	-	-	-
Committed						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Assigned						
Unassigned	-	-	-	-	-	-
Total fund balances (deficit)	18,133,252	43,916,967	3,040,991	23,004	696,142	460,122
Total liabilities and fund balances	$ 18,281,614	$ 43,916,967	$ 3,040,991	$ 23,331	$ 696,142	$ 528,878

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2023

Special Revenue						
Criminal Justice Education	Park Recreational Facilities Impact Fee	All Hazards	Alarm Fee	Del Prado Mall Parking Lot	Lot Mowing	Economic Development
$ 107,480	$ 8,738,643	$ 1,769,690	$ 63,755	$ 223,951	$ 6,427,564	$ 1,914,102
-	39,471	7,995	-	-	-	-
-	-	-	43,250	-	-	-
-	-	6,323	-	113	25,897	26,360
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	22,032
107,480	8,778,114	1,784,008	107,005	224,064	6,453,461	1,962,494
-	3,300	43,388	2	705	191,947	1,720
-	-	-	-	-	4,013	-
-	-	30,609	2,083	-	7,386	8,996
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	310,127
-	-	-	-	-	-	-
-	3,300	73,997	2,085	705	203,346	320,843
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	22,032
-	-	-	-	-	-	1,619,619
107,480	-	1,710,011	-	-	-	-
-	-	-	-	-	-	-
-	8,774,814	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	104,920	-	-	-
-	-	-	-	223,359	6,250,115	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
107,480	8,774,814	1,710,011	104,920	223,359	6,250,115	1,641,651
$ 107,480	$ 8,778,114	$ 1,784,008	$ 107,005	$ 224,064	$ 6,453,461	$ 1,962,494

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2023

	Special Revenue				
	Building	Community Redevelopment Agency	Community Development Block Grant	HUD Neighborhood Stabilization	State Housing Initiative Partnership
ASSETS					
Cash and investments	$ 12,104,382	$ 496,879	$ -	$ -	$ 8,734,642
Interest receivable	54,881	3,220	-	-	-
Accounts receivable, net	-	10,000	-	-	-
Intergovernmental receivable	-	-	374,920	-	-
Notes receivable	-	551,497	-	-	-
Lease receivable	-	-	-	-	-
Prepaid items	15,442	-	8,000	-	833
Total assets	12,174,705	1,061,596	382,920	-	8,735,475
LIABILITIES					
Accounts payable and other accrued liabilities	152,606	50,236	24,619	-	7,433
Accrued retainage	-	-	-	-	-
Accrued payroll	358,182	-	3,021	-	-
Due to other funds	-	-	710,640	132,870	-
Deposits	1,982,688	-	-	-	-
Intergovernmental payables	78,018	-	-	-	-
Unearned revenue	2,894,608	-	-	-	-
Advances from other funds	-	9,382,956	-	-	-
Total liabilities	5,466,102	9,433,192	738,280	132,870	7,433
DEFERRED INFLOW OF RESOURCES					
Unavailable revenue - grant reimbursements	-	-	347,336	-	-
Unavailable revenue - other	-	10,000	-	-	-
Deferred Inflow - lease	-	-	-	-	-
Total deferred inflows of resources	-	10,000	347,336	-	-
FUND BALANCES					
Nonspendable	15,442	-	8,000	-	833
Restricted					
General government	-	-	-	-	-
Public safety	6,693,161	-	-	-	-
Public works	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Community development	-	-	-	-	8,727,209
Capital outlay	-	-	-	-	-
Debt Service	-	-	-	-	-
Committed					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	-	-	-
Assigned					
Unassigned	-	(8,381,596)	(710,696)	(132,870)	-
Total fund balances (deficit)	6,708,603	(8,381,596)	(702,696)	(132,870)	8,728,042
Total liabilities and fund balances	$ 12,174,705	$ 1,061,596	$ 382,920	$ -	$ 8,735,475

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (continued)
September 30, 2023

Residential Construction Mitigation Program	Charter School Building Maintenance	Debt Service	Capital Projects: Disaster Improvement	Capital Projects: Charter School Capital Project	Capital Projects: Transportation Capital Improvements	Capital Projects: Parks Capital Improvements	Capital Projects: Building Capital Improvements	Capital Projects: Other Capital Improvements	Total Nonmajor Governmental Funds
$ -	$ 313,221	$ 235,494	$ 115,094	$ 2,129,426	$ 44,655,730	$ 5,023,305	$ 9,733,800	$ 53,764,494	$220,858,427
-	-	-	-	-	-	-	43,966	4,459	416,308
-	-	-	-	-	-	-	100,000	-	153,250
-	-	4,834	-	-	272,758	-	-	-	2,630,037
-	-	-	-	-	-	-	-	-	551,497
-	4,063,747	-	-	-	-	532,171	-	-	4,595,918
-	-	-	-	-	-	-	-	-	46,307
-	4,376,968	240,328	115,094	2,129,426	44,928,488	5,555,476	9,877,766	53,768,953	229,251,744
-	2,972	-	-	317,513	1,541,523	67,130	-	3,201,438	5,741,029
-	-	-	-	-	154,607	22,582	-	228,212	416,476
-	-	-	-	-	-	-	-	-	417,407
568	-	-	-	-	-	-	-	-	844,078
-	-	-	-	-	-	-	-	-	1,982,688
-	-	-	-	-	-	-	-	-	120,064
-	-	-	-	-	-	-	-	-	3,231,445
-	-	-	-	-	-	-	-	-	9,382,956
568	2,972	-	-	317,513	1,696,130	89,712	-	3,429,650	22,136,143
-	-	-	-	-	239,853	-	-	-	587,189
-	-	-	-	-	-	-	-	-	10,000
-	4,024,788	-	-	-	-	515,295	-	-	4,540,083
-	4,024,788	-	-	-	239,853	515,295	-	-	5,137,272
-	-	-	-	-	-	-	-	-	46,307
-	-	-	-	-	-	-	-	-	1,619,619
-	-	-	-	-	-	-	-	-	12,730,911
-	-	-	-	-	-	-	-	-	62,050,219
-	-	-	-	-	-	-	-	-	8,774,814
-	-	-	-	-	-	-	-	-	8,727,209
-	-	-	-	-	18,852,856	-	-	21,776,431	40,629,287
-	-	240,328	-	-	-	-	-	-	240,328
-	349,208	-	-	1,811,913	-	-	-	-	2,161,121
-	-	-	-	-	-	-	-	-	104,920
-	-	-	-	-	-	-	-	-	6,473,474
-	-	-	115,094	-	24,139,649	4,950,469	9,877,766	28,562,872	67,645,850
(568)	-	-	-	-	-	-	-	-	(9,225,730)
(568)	349,208	240,328	115,094	1,811,913	42,992,505	4,950,469	9,877,766	50,339,303	201,978,329
$ -	$ 4,376,968	$ 240,328	$ 115,094	$ 2,129,426	$ 44,928,488	$ 5,555,476	$ 9,877,766	$ 53,768,953	$229,251,744

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

	Special Revenue					
	Gas Tax	Road Impact Fee	Public Safety Impact Fee	Do the Right Thing	Police Confiscation Federal	Police Confiscation State
REVENUES						
Taxes	$ 12,393,203	$ -	$ -	$ -	$ -	$ -
Special assessments	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-
Intergovernmental	1,905	-	-	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	21,299
Impact fees	-	16,752,085	5,235,704	-	-	-
Rent and royalties	-	-	-	-	-	-
Investment earnings (loss)	316,822	995,875	410,197	337	19,429	15,956
Contributions and donations	-	-	-	24,117	-	-
Other revenue	-	-	-	-	138,150	-
Total revenues	12,711,930	17,747,960	5,645,901	24,454	157,579	37,255
EXPENDITURES						
Current:						
General government	-	-	-	-	-	-
Public safety:						
Police	-	-	41,047	14,018	14,650	41,870
Fire	-	-	52,912	-	-	-
Building	-	-	-	-	-	-
Public works	673,219	231,176	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Community development	-	-	-	-	-	-
Capital outlay	329,250	1,127	792,427	-	-	-
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total expenditures	1,002,469	232,303	886,386	14,018	14,650	41,870
Excess revenues over (under) expenditures	11,709,461	17,515,657	4,759,515	10,436	142,929	(4,615)
OTHER FINANCING SOURCES (USES)						
Transfers in	1,050,000	-	-	-	-	-
Transfers out	(7,268,886)	(10,185,773)	(13,759,308)	-	-	-
Issuance of debt	-	-	-	-	-	-
Lease issuances	-	-	-	-	-	-
SBITA issuances	-	-	-	-	-	-
Proceeds on sale of capital assets	-	-	-	-	-	-
Total other financing sources (uses)	(6,218,886)	(10,185,773)	(13,759,308)	-	-	-
Net change in fund balances	5,490,575	7,329,884	(8,999,793)	10,436	142,929	(4,615)
Fund balances (deficit) - beginning as restated	12,642,677	36,587,083	12,040,784	12,568	553,213	464,737
Fund balances (deficit) - ending	$ 18,133,252	$ 43,916,967	$ 3,040,991	$ 23,004	$ 696,142	$ 460,122

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended September 30, 2023

Special Revenue						
Criminal Justice Education	Park Recreational Facilities Impact Fee	All Hazards	Alarm Fee	Del Prado Mall Parking Lot	Lot Mowing	Economic Development
$ -	$ -	$ 1,024,716	$ -	$ -	$ -	$ -
-	-	-	-	39,190	-	-
-	-	-	-	-	-	644,233
-	-	38,223	406	-	10,915	5,554
-	-	3	36,273	-	4,775,291	-
36,265	-	-	-	39	21,829	-
-	5,746,709	-	-	-	-	-
-	-	-	-	-	-	-
2,680	191,892	53,419	875	9,786	386,477	53,821
-	-	-	-	-	-	-
-	-	411	-	8	10,573	-
38,945	5,938,601	1,116,772	37,554	49,023	5,205,085	703,608
-	-	-	-	-	-	934,769
8,568	-	-	66,924	-	-	-
-	-	1,069,155	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	12,226	3,664,585	-
-	76,100	-	-	-	-	-
-	-	-	-	-	-	-
-	1,551,015	52,073	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
8,568	1,627,115	1,121,228	66,924	12,226	3,664,585	934,769
30,377	4,311,486	(4,456)	(29,370)	36,797	1,540,500	(231,161)
-	-	-	71,484	-	-	-
-	(2,695,213)	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	6,600
-	(2,695,213)	-	71,484	-	-	6,600
30,377	1,616,273	(4,456)	42,114	36,797	1,540,500	(224,561)
77,103	7,158,541	1,714,467	62,806	186,562	4,709,615	1,866,212
$ 107,480	$ 8,774,814	$ 1,710,011	$ 104,920	$ 223,359	$ 6,250,115	$ 1,641,651

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2023

	Special Revenue				
	Building	Community Redevelopment Agency	Community Development Block Grant	HUD Neighborhood Stabilization	State Housing Initiative Partnership
REVENUES					
Taxes	$ -	$ 2,073,059	$ -	$ -	$ -
Special assessments	-	-	-	-	-
Licenses and permits	12,973,720	-	-	-	-
Intergovernmental	87,127	1,634	791,448	-	6,162,793
Charges for services	-	-	-	-	-
Fines and forfeitures	3,897	-	-	-	-
Impact fees	-	-	-	-	-
Rent and royalties	-	-	-	-	-
Investment earnings (loss)	513,233	279,571	-	-	236,691
Contributions and donations	-	-	-	-	-
Other revenue	-	25,976	33,489	77,694	11,178
Total revenues	13,577,977	2,380,240	824,937	77,694	6,410,662
EXPENDITURES					
Current:					
General government	-	-	-	-	-
Public safety:					
Police	-	-	-	-	-
Fire	-	-	-	-	-
Building	12,995,500	-	-	-	-
Public works	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Community development	-	548,749	1,163,119	-	1,284,771
Capital outlay	192,411	25,969	114,695	-	-
Debt service:					
Principal	26,789	-	-	-	-
Interest and fiscal charges	1,481	155,250	-	-	-
Bond issuance costs	-	-	-	-	-
Total expenditures	13,216,181	729,968	1,277,814	-	1,284,771
Excess revenues over (under) expenditures	361,796	1,650,272	(452,877)	77,694	5,125,891
OTHER FINANCING SOURCES (USES)					
Transfers in	-	2,958,585	-	-	-
Transfers out	(21,782)	(3,239,538)	-	-	-
Issuance of debt	-	-	-	-	-
Leases	163,915	-	-	-	-
Proceeds from SBITA	-	-	-	-	-
Proceeds on sale of capital assets	-	-	-	-	-
Total other financing sources (uses)	142,133	(280,953)	-	-	-
Net change in fund balances	503,929	1,369,319	(452,877)	77,694	5,125,891
Fund balances (deficit) - beginning as restated	6,204,674	(9,750,915)	(249,819)	(210,564)	3,602,151
Fund balances (deficit) - ending	$ 6,708,603	$ (8,381,596)	$ (702,696)	$ (132,870)	$ 8,728,042

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (continued)
For the Year Ended September 30, 2023

			Capital Projects						
Residential Construction Mitigation Program	Charter School Building Maintenance	Debt Service	Disaster Improvement	Charter School Capital Project	Transportation Capital Improvements	Parks Capital Improvements	Building Capital Improvements	Other Capital Improvements	Total Nonmajor Governmental Funds
$ -	$ 2,640,000	$ 1,018,178	$ -	$ -	$ -	$ -	$ -	$ -	$ 19,149,156
-	-	-	-	-	-	-	-	-	39,190
-	-	-	-	-	-	-	-	-	13,617,953
-	-	-	-	-	835,249	-	-	-	7,935,254
-	-	-	-	-	-	-	-	132,735	4,944,302
-	-	1,359	-	-	-	-	-	-	84,688
-	-	-	-	-	-	-	-	-	27,734,498
-	1,463,559	-	-	-	-	409,373	-	-	1,872,932
-	51,358	203,894	-	136,802	-	94,190	98,832	769,628	4,841,765
-	-	-	-	-	38,198	-	-	-	62,315
-	250,480	1,778	-	-	4,737	-	-	-	554,474
-	4,405,397	1,225,209	-	136,802	878,184	503,563	98,832	902,363	80,836,527
-	892,047	1,998	-	-	-	-	-	19,358	1,848,172
-	-	-	-	-	-	-	-	-	187,077
-	-	-	-	-	-	-	-	-	1,122,067
-	-	-	-	-	-	-	-	-	12,995,500
-	-	-	-	-	4,861	-	-	-	4,586,067
-	-	-	-	-	-	526,170	-	-	602,270
-	-	-	-	-	-	-	-	-	2,996,639
-	-	-	-	635,591	8,028,830	665,433	-	8,175,901	20,564,722
-	-	17,794,322	-	-	-	-	-	32,500	17,853,611
-	-	6,375,529	-	-	-	-	-	-	6,532,260
-	-	41,000	-	-	-	-	-	-	41,000
-	892,047	24,212,849	-	635,591	8,033,691	1,191,603	-	8,227,759	69,329,385
-	3,513,350	(22,987,640)	-	(498,789)	(7,155,507)	(688,040)	98,832	(7,325,396)	11,507,142
-	-	18,570,345	-	-	22,369,357	3,897,651	-	29,317,711	78,235,133
-	(3,164,142)	-	-	-	(1,152,938)	(59,500)	-	(879,131)	(42,426,211)
-	-	43,500	-	-	-	-	-	7,956,500	8,000,000
-	-	-	-	-	-	-	-	-	163,915
-	-	-	-	-	-	-	-	95,266	95,266
-	-	-	-	-	14,000	-	-	-	20,600
-	(3,164,142)	18,613,845	-	-	21,230,419	3,838,151	-	36,490,346	44,088,703
-	349,208	(4,373,795)	-	(498,789)	14,074,912	3,150,111	98,832	29,164,950	55,595,845
(568)	-	4,614,123	115,094	2,310,702	28,917,593	1,800,358	9,778,934	21,174,353	146,382,484
$ (568)	$ 349,208	$ 240,328	$ 115,094	$ 1,811,913	$ 42,992,505	$ 4,950,469	$ 9,877,766	$ 50,339,303	$ 201,978,329

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fuel taxes	$ 10,349,253	$ 10,349,253	$ 12,393,203	$ 2,043,950
Intergovernmental	-	3,443	1,905	(1,538)
Investment earnings (loss)	-	-	316,822	316,822
Prior year cash balance	-	66,021	-	(66,021)
Total revenues	10,349,253	10,418,717	12,711,930	2,293,213
EXPENDITURES				
Public works	1,752,052	1,921,516	673,219	1,248,297
Capital Outlay	-	329,250	329,250	-
Total expenditures	1,752,052	2,250,766	1,002,469	1,248,297
Excess (deficiency) of revenues over (under) expenditures	8,597,201	8,167,951	11,709,461	3,541,510
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,050,000	1,050,000	-
Transfers out	(7,375,000)	(7,268,886)	(7,268,886)	-
Reserves	(1,222,201)	(1,949,065)	-	1,949,065
Total other financing sources (uses)	(8,597,201)	(8,167,951)	(6,218,886)	1,949,065
Net change in fund balances	$ -	$ -	5,490,575	$ 5,490,575
Fund balances - beginning			12,642,677	
Fund balances - ending			$ 18,133,252	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ROAD IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	$ 16,663,374	$ 16,663,374	$ 16,752,085	$ 88,711
Investment earnings (loss)	-	-	995,875	995,875
Total revenues	16,663,374	16,663,374	17,747,960	1,084,586
EXPENDITURES				
Public works	249,951	249,951	231,176	18,775
Capital outlay	-	-	1,127	(1,127)
Total expenditures	249,951	249,951	232,303	17,648
Excess (deficiency) of revenues over (under) expenditures	16,413,423	16,413,423	17,515,657	1,102,234
OTHER FINANCING SOURCES (USES)				
Transfers out	(6,123,345)	(10,752,363)	(10,185,773)	566,590
Reserves	(10,290,078)	(5,661,060)	-	5,661,060
Total other financing sources (uses)	(16,413,423)	(16,413,423)	(10,185,773)	6,227,650
Net change in fund balances	$ -	$ -	7,329,884	$ 7,329,884
Fund balances - beginning			36,587,083	
Fund balances - ending			$ 43,916,967	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PUBLIC SAFETY IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	$ 5,492,583	$ 5,492,583	$ 5,235,704	$ (256,879)
Investment earnings (loss)	-	50,250	410,197	359,947
Prior year cash balance	9,218,603	9,459,490	-	(9,459,490)
Total revenues	14,711,186	15,002,323	5,645,901	(9,356,422)
EXPENDITURES				
Public safety:				
Police	40,731	41,231	41,047	184
Fire	42,423	65,919	52,912	13,007
Capital outlay	764,315	1,031,456	792,427	239,029
Total expenditures	847,469	1,138,606	886,386	252,220
Excess (deficiency) of revenues over (under) expenditures	13,863,717	13,863,717	4,759,515	(9,104,202)
OTHER FINANCING SOURCES (USES)				
Transfers out	(13,764,031)	(13,764,031)	(13,759,308)	4,723
Reserves	(99,686)	(99,686)	-	99,686
Total other financing sources	(13,863,717)	(13,863,717)	(13,759,308)	104,409
Net change in fund balances	$ -	$ -	(8,999,793)	$ (8,999,793)
Fund balances - beginning			12,040,784	
Fund balances - ending			$ 3,040,991	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DO THE RIGHT THING SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	$ -	$ -	$ 337	$ 337
Contributions and donations	8,160	8,160	24,117	15,957
Total revenues	8,160	8,160	24,454	16,294
EXPENDITURES				
Public safety: police	8,160	14,160	14,018	142
Excess (deficiency) of revenues over (under) expenditures	-	(6,000)	10,436	16,436
OTHER FINANCING SOURCES (USES)				
Transfers In	-	6,000	-	(6,000)
Net change in fund balances	$ -	$ -	10,436	$ 10,436
Fund balances - beginning			12,568	
Fund balances - ending			$ 23,004	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
POLICE CONFISCATION - FEDERAL SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	$ 3,000	$ 3,000	$ 19,429	$ 16,429
Other revenue	-	-	138,150	138,150
Prior year cash balance	25,014	25,014	-	(25,014)
Total revenues	28,014	28,014	157,579	129,565
EXPENDITURES				
Public safety: police	28,014	28,014	14,650	13,364
Excess (deficiency) of revenues over (under) expenditures	-	-	142,929	142,929
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	$ -	$ -	142,929	$ 142,929
Fund balances - beginning			553,213	
Fund balances - ending			$ 696,142	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
POLICE CONFISCATION - STATE SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ -	$ 15,000	$ 21,299	$ 6,299
Investment earnings	-	-	15,956	15,956
Prior year cash balance	-	34,681	-	(34,681)
Total revenues	-	49,681	37,255	(12,426)
EXPENDITURES				
Public safety: police	-	49,681	41,870	7,811
Excess (deficiency) of revenues over (under) expenditures	-	-	(4,615)	(4,615)
Net change in fund balances	$ -	$ -	(4,615)	$ (4,615)
Fund balances - beginning			464,737	
Fund balances - ending			$ 460,122	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CRIMINAL JUSTICE EDUCATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeitures	$ 21,000	$ 21,000	$ 36,265	$ 15,265
Investment earnings (loss)	-	-	2,680	2,680
Prior year cash balance	4,719	4,719	-	(4,719)
Total revenues	25,719	25,719	38,945	13,226
EXPENDITURES				
Public safety: police	25,719	25,719	8,568	17,151
Excess (deficiency) of revenues over (under) expenditures	-	-	30,377	30,377
Net change in fund balances	$ -	$ -	30,377	$ 30,377
Fund balances - beginning			77,103	
Fund balances - ending			$ 107,480	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARK RECREATIONAL FACILITIES IMPACT FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Impact fees	$ 5,046,490	$ 5,046,490	$ 5,746,709	$ 700,219
Investment earnings (loss)	-	-	191,892	191,892
Total revenues	5,046,490	5,046,490	5,938,601	892,111
EXPENDITURES				
Parks and recreation	75,698	84,698	76,100	8,598
Capital outlay	2,243,480	2,234,480	1,551,015	683,465
Total expenditures	2,319,178	2,319,178	1,627,115	692,063
Excess (deficiency) of revenues over (under) expenditures	2,727,312	2,727,312	4,311,486	1,584,174
OTHER FINANCING SOURCES (USES)				
Transfers out	(2,727,312)	(2,727,312)	(2,695,213)	32,099
Total other financing sources (uses)	(2,727,312)	(2,727,312)	(2,695,213)	32,099
Net change in fund balances	$ -	$ -	1,616,273	$ 1,616,273
Fund balances - beginning			7,158,541	
Fund balances - ending			$ 8,774,814	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALL HAZARDS SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,465,359	$ 1,465,359	$ 1,024,716	$ (440,643)
Investment earnings (loss)	-	-	53,419	53,419
Intergovernmental	-	63,107	38,223	(24,884)
Charges for Services	-	-	3	3
Other revenue	-	-	411	411
Prior year cash balance	1,637,187	1,707,823	-	(1,707,823)
Total revenues	3,102,546	3,236,289	1,116,772	(2,119,517)
EXPENDITURES				
Public safety: fire	1,053,972	1,149,024	1,069,155	79,869
Capital outlay	1,400,000	1,438,691	52,073	1,386,618
Total expenditures	2,453,972	2,587,715	1,121,228	1,466,487
Excess (deficiency) of revenues over (under) expenditures	648,574	648,574	(4,456)	(653,030)
OTHER FINANCING SOURCES (USES)				
Reserves	(648,574)	(648,574)	-	648,574
Net change in fund balances	$ -	$ -	(4,456)	$ (4,456)
Fund balances - beginning			1,714,467	
Fund balances - ending			$ 1,710,011	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ALARM FEE SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ -	$ 734	$ 406	$ (328)
Charges for services	80,000	36,750	36,273	(477)
Investment earnings (loss)	-	-	875	875
Total revenues	80,000	37,484	37,554	70
EXPENDITURES				
Public safety: police	106,834	108,968	66,924	42,044
Excess (deficiency) of revenues over (under) expenditures	(26,834)	(71,484)	(29,370)	42,114
OTHER FINANCING SOURCES (USES)				
Transfers in	26,834	71,484	71,484	-
Net change in fund balances	$ -	$ -	42,114	$ 42,114
Fund balances - beginning			62,806	
Fund balances - ending			$ 104,920	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEL PRADO MALL PARKING LOT SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	$ 39,965	$ 39,965	$ 39,190	$ (775)
Fines and forfeitures	-	-	39	39
Investment earnings	-	-	9,786	9,786
Other revenue	-	-	8	8
Total revenues	39,965	39,965	49,023	9,058
EXPENDITURES				
Public works	39,965	39,965	12,226	27,739
Excess (deficiency) of revenues over (under) expenditures	-	-	36,797	36,797
OTHER FINANCING SOURCES (USES)				
Net change in fund balances	$ -	$ -	36,797	$ 36,797
Fund balances - beginning			186,562	
Fund balances - ending			$ 223,359	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
LOT MOWING SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ -	$ 62,163	$ 10,915	$ (51,248)
Charges for services	4,451,168	4,451,168	4,775,291	324,123
Fines and forfeitures	-	-	21,829	21,829
Investment earnings	-	-	386,477	386,477
Other revenue	-	-	10,573	10,573
Prior year cash balance	-	3,865,051	-	(3,865,051)
Total revenues	4,451,168	8,378,382	5,205,085	(3,173,297)
EXPENDITURES				
Public works	3,705,924	7,633,138	3,664,585	3,968,553
Excess (deficiency) of revenues over (under) expenditures	745,244	745,244	1,540,500	795,256
OTHER FINANCING SOURCES (USES)				
Reserves	(745,244)	(745,244)	-	745,244
Net change in fund balances	$ -	$ -	1,540,500	$ 1,540,500
Fund balances - beginning			4,709,615	
Fund balances - ending			$ 6,250,115	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
ECONOMIC DEVELOPMENT SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Business taxes	$ 770,000	$ 770,000	$ -	$ (770,000)
Licenses and permits	130,542	130,542	644,233	513,691
Intergovernmental	-	6,763	5,554	(1,209)
Investment earnings	-	-	53,821	53,821
Prior year cash balance	-	647,718	-	(647,718)
Total revenues	900,542	1,555,023	703,608	(851,415)
EXPENDITURES				
General Government	770,345	1,424,826	934,769	490,057
Total expenditures	770,345	1,424,826	934,769	490,057
Excess (deficiency) of revenues over (under) expenditures	130,197	130,197	(231,161)	(361,358)
OTHER FINANCING SOURCES (USES)				
Proceeds on sale of capital assets	-	-	6,600	6,600
Reserves	(130,197)	(130,197)	-	130,197
Total other financing sources (uses)	(130,197)	(130,197)	6,600	136,797
Net change in fund balances	$ -	$ -	(224,561)	$ (224,561)
Fund balances - beginning			1,866,212	
Fund balances - ending			$ 1,641,651	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	$ 10,449,348	$ 10,449,348	$ 12,973,720	$ 2,524,372
Intergovernmental	-	188,397	87,127	(101,270)
Fines and forfeitures	18,000	18,000	3,897	(14,103)
Investment earnings (loss)	-	-	513,233	513,233
Other revenue	750	750	-	(750)
Prior year cash balance	3,137,483	5,996,460	-	(5,996,460)
Total revenues	13,605,581	16,652,955	13,577,977	(3,074,978)
EXPENDITURES				
Public safety: building	13,583,447	16,362,115	12,995,500	3,366,615
Capital outlay	-	252,714	192,411	60,303
Debt Service:				
Principal	-	-	26,789	(26,789)
Interest and fiscal charges	-	-	1,481	(1,481)
Total expenditures	13,583,447	16,614,829	13,216,181	3,398,648
Excess (deficiency) of revenues over (under) expenditures	22,134	38,126	361,796	323,670
OTHER FINANCING SOURCES (USES)				
Transfers out	(22,134)	(22,134)	(21,782)	352
Proceeds from Leases	-	-	163,915	163,915
Reserves	-	(15,992)	-	15,992
Total other financing sources (uses)	(22,134)	(38,126)	142,133	180,259
Net change in fund balances	$ -	$ -	503,929	$ 503,929
Fund balances - beginning			6,204,674	
Fund balances - ending			$ 6,708,603	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY REDEVELOPMENT AGENCY SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,688,508	$ 2,073,059	$ 2,073,059	$ -
Intergovernmental	-	54,753	1,634	(53,119)
Rent and royalties	15,300	15,300	-	(15,300)
Investment earnings (loss)	26,500	240,081	279,571	39,490
Other revenue	-	25,975	25,976	1
Prior year cash balance	-	612,935	-	(612,935)
Total revenues	1,730,308	3,022,103	2,380,240	(641,863)
EXPENDITURES				
Community development	1,581,536	1,401,312	548,749	852,563
Capital outlay	-	60,310	25,969	34,341
Debt Service:				
Interest and fiscal charges	-	-	155,250	(155,250)
Total expenditures	1,581,536	1,461,622	729,968	731,654
Excess (deficiency) of revenues over (under) expenditures	148,772	1,560,481	1,650,272	89,791
OTHER FINANCING SOURCES (USES)				
Transfers in	2,713,125	2,713,125	2,958,585	245,460
Transfers out	(2,861,897)	(4,273,606)	(3,239,538)	1,034,068
Total other financing sources (uses)	(148,772)	(1,560,481)	(280,953)	1,279,528
Net change in fund balances	$ -	$ -	1,369,319	$ 1,369,319
Fund balances - beginning			(9,750,915)	
Fund balances - ending			$ (8,381,596)	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)[1]
	Original	Final		
REVENUES				
Intergovernmental	$ 1,050,564	$ 1,052,478	$ 791,448	$ (261,030)
Other revenue	-	57,884	33,489	(24,395)
Total revenues	1,050,564	1,110,362	824,937	(285,425)
EXPENDITURES				
Community development	1,050,564	1,110,362	1,163,119	(52,757)
Capital outlay	-	-	114,695	(114,695)
Total expenditures	1,050,564	1,110,362	1,277,814	(167,452)
Excess (deficiency) of revenues over (under) expenditures	-	-	(452,877)	(452,877)
Net change in fund balances	$ -	$ -	(452,877)	$ (452,877)
Fund balances - beginning			(249,819)	
Fund balances - ending			$ (702,696)	

[1] Expenditures were appropriated in the year the funding was allocated and are not re-appropriated in subsequent years.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HUD NEIGHBORHOOD STABILIZATION SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)[1]
	Original	Final		
REVENUES				
Other revenue	$ -	$ 155,380	$ 77,694	$ (77,686)
Total revenues	-	155,380	77,694	(77,686)
EXPENDITURES				
Community development	-	155,380	-	155,380
Total expenditures	-	155,380	-	155,380
Excess (deficiency) of revenues over (under) expenditures	-	-	77,694	77,694
Net change in fund balances	$ -	$ -	77,694	$ 77,694
Fund balances - beginning			(210,564)	
Fund balances - ending			$ (132,870)	

[1] Expenditures were appropriated in the year the funding was allocated and are not re-appropriated in subsequent years.

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STATE HOUSING INITIATIVE PARTNERSHIP SPECIAL REVENUE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	$ 1,931,663	$ 3,413,657	$ 6,162,793	$ 2,749,136
Investment earnings (loss)	-	-	236,691	236,691
Other revenue	-	69,108	11,178	(57,930)
Total revenues	1,931,663	3,482,765	6,410,662	2,927,897
EXPENDITURES				
Community development	1,931,663	3,482,765	1,284,771	2,197,994
Total expenditures	1,931,663	3,482,765	1,284,771	2,197,994
Excess (deficiency) of revenues over (under) expenditures	-	-	5,125,891	5,125,891
Net change in fund balances	$ -	$ -	5,125,891	$ 5,125,891
Fund balances - beginning			3,602,151	
Fund balances - ending			$ 8,728,042	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CHARTER SCHOOL BUILDING MAINTENANCE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ -	$ 2,640,000	$ 2,640,000	$ -
Rent and royalties	-	1,500,000	1,463,559	(36,441)
Investment earnings	-	-	51,358	51,358
Other revenue	-	-	250,480	250,480
Total revenues	-	4,140,000	4,405,397	265,397
EXPENDITURES				
General government	-	949,006	892,047	56,959
Total expenditures	-	949,006	892,047	56,959
Excess (deficiency) of revenues over (under) expenditures	-	3,190,994	3,513,350	322,356
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(3,190,994)	(3,164,142)	26,852
Total other financing sources (uses)	-	(3,190,994)	(3,164,142)	26,852
Net change in fund balances	$ -	$ -	349,208	$ 349,208
Fund balances - beginning			-	
Fund balances - ending			$ 349,208	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended September 30, 2023

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property taxes	$ 1,026,959	$ 1,026,959	$ 1,018,178	$ (8,781)
Fines and forfeitures	-	-	1,359	1,359
Rent and royalties	1,675,000	175,000	-	(175,000)
Investment earnings	-	-	203,894	203,894
Other revenue	-	-	1,778	1,778
Prior year cash balance	2,259,471	4,096,765	-	(4,096,765)
Total revenues	4,961,430	5,298,724	1,225,209	(4,073,515)
EXPENDITURES				
General government	756	756	1,998	(1,242)
Debt service:				
Principal	16,258,202	18,751,827	17,794,322	957,505
Interest and fiscal charges	6,170,686	6,454,699	6,375,529	79,170
Bond issuance costs	-	43,500	41,000	2,500
Total expenditures	22,429,644	25,250,782	24,212,849	1,037,933
Excess (deficiency) of revenues over (under) expenditures	(17,468,214)	(19,952,058)	(22,987,640)	(3,035,582)
OTHER FINANCING SOURCES (USES)				
Transfers in	17,468,214	19,908,558	18,570,345	(1,338,213)
Issuance of debt	-	43,500	43,500	-
Total other financing sources (uses)	17,468,214	19,952,058	18,613,845	(1,338,213)
Net change in fund balances	$ -	$ -	(4,373,795)	$ (4,373,795)
Fund balances - beginning			4,614,123	
Fund balances - ending			$ 240,328	

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CHARTER SCHOOL CAPITAL PROJECT FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Electric utility taxes	$ 1,320,000	$ -	$ 1,320,000	$ -
Intergovernmental	-	-	-	1,476,800
Charges for services	-	-	-	56,275
Rents and royalties	-	-	-	1,500,000
Investment earnings	8,202	136,802	145,004	-
Contributions and donations	1,697,980	-	1,697,980	2,108,371
Total revenues	3,026,182	136,802	3,162,984	5,141,446
EXPENDITURES				
General Government	278,178	-	278,178	1,320,000
Capital outlay	25,861	635,591	661,452	2,321,446
Total expenditures	304,039	635,591	939,630	3,641,446
Excess (deficiency) of revenues over (under) expenditures	2,722,143	(498,789)	2,223,354	1,500,000
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,875,000)	-	(1,875,000)	(1,500,000)
Leases	1,463,559	-	1,463,559	-
Total other financing sources (uses)	(411,441)	-	(411,441)	(1,500,000)
Net change in fund balances	$ 2,310,702	$ (498,789)	$ 1,811,913	$ -
Fund balances - beginning		2,310,702		
Fund balances - ending		$ 1,811,913		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TRANSPORTATION CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	$ 22,807,035	$ 835,249	$ 23,642,284	$ 25,273,069
Rent and royalties	4,367	-	4,367	-
Investment earnings	8,505,757	-	8,505,757	116,231
Contributions and donations	1,555,015	38,198	1,593,213	900,000
Other revenue	4,843,763	4,737	4,848,500	16,633,536
Unassigned balance	-	-	-	1,562,535
Total revenues	37,715,937	878,184	38,594,121	44,485,371
EXPENDITURES				
General Government	583	-	583	-
Public works	5,285,883	4,861	5,290,744	7,587,271
Capital outlay	261,965,464	8,028,830	269,994,294	434,778,292
Debt Service: interest and fiscal charges	805,049	-	805,049	-
Total expenditures	268,056,979	8,033,691	276,090,670	442,365,563
Excess (deficiency) of revenues over (under) expenditures	(230,341,042)	(7,155,507)	(237,496,549)	(397,880,192)
OTHER FINANCING SOURCES (USES)				
Transfers in	196,866,693	22,369,357	219,236,050	224,695,767
Transfers out	(22,865,471)	(1,152,938)	(24,018,409)	(11,187,078)
Issuance of debt	84,987,594	-	84,987,594	184,289,419
Proceeds on sale of capital assets	269,819	14,000	283,819	82,084
Total other financing sources (uses)	259,258,635	21,230,419	280,489,054	397,880,192
Net change in fund balances	$ 28,917,593	14,074,912	$ 42,992,505	$ -
Fund balances - beginning		28,917,593		
Fund balances - ending		$ 42,992,505		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PARKS CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	$ 1,957,853	$ -	$ 1,957,853	$ 3,906,855
Rent and royalties	-	409,373	409,373	-
Investment earnings	2,228,950	94,190	2,323,140	90,500
Contributions and donations	45,037	-	45,037	62,949
Other revenue	128,182	-	128,182	-
Unassigned balance	-	-	-	3,253,613
Total revenues	4,360,022	503,563	4,863,585	7,313,917
EXPENDITURES				
Parks and recreation	396,458	526,170	922,628	969,850
Capital outlay	52,057,401	665,433	52,722,834	62,762,801
Total expenditures	52,453,859	1,191,603	53,645,462	63,732,651
Excess (deficiency) of revenues over (under) expenditures	(48,093,837)	(688,040)	(48,781,877)	(56,418,734)
OTHER FINANCING SOURCES (USES)				
Transfers in	25,083,040	3,897,651	28,980,691	23,622,972
Transfers out	(11,996,193)	(59,500)	(12,055,693)	(6,770,650)
Issuance of debt	36,735,161	-	36,735,161	39,566,412
Proceeds on sale of capital assets	72,187	-	72,187	-
Total other financing sources (uses)	49,894,195	3,838,151	53,732,346	56,418,734
Net change in fund balances	$ 1,800,358	3,150,111	$ 4,950,469	$ -
Fund balances - beginning		1,800,358		
Fund balances - ending		$ 4,950,469		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
BUILDING CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Investment earnings (loss)	$ (221,066)	$ 98,832	$ (122,234)	$ -
EXPENDITURES				
Capital outlay	-	-	-	10,000,000
Excess (deficiency) of revenues over (under) expenditures	(221,066)	98,832	(122,234)	(10,000,000)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,000,000	-	10,000,000	10,000,000
Net change in fund balances	$ 9,778,934	98,832	$ 9,877,766	$ -
Fund balances - beginning		9,778,934		
Fund balances - ending		$ 9,877,766		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
OTHER CAPITAL IMPROVEMENTS FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	$ 8,159,828	$ -	$ 8,159,828	$ 8,351,490
Charges for services	-	132,735	132,735	-
Investment earnings	1,512,712	769,628	2,282,340	42,680
Other revenue (loss)	1,748,548	-	1,748,548	1,347,806
Unassigned balance	-	-	-	798,565
Total revenues	11,421,088	902,363	12,323,451	10,540,541
EXPENDITURES				
General Government	1,186,468	19,358	1,205,826	2,596,806
Public safety: police	8,021,478	-	8,021,478	5,605,574
Public safety: fire	-	-	-	5,926,858
Public safety: building	-	-	-	750,000
Public works	53,151	-	53,151	660,454
Parks and recreation	557,541	-	557,541	19,375
Community development	86,487	-	86,487	906,055
Transportation	1,826,826	-	1,826,826	6,052,693
Capital outlay	148,378,759	8,175,901	156,554,660	222,402,115
Debt Service: principal	-	32,500	32,500	-
Debt Service: interest and fiscal charges	1,585,471	-	1,585,471	628,994
Total expenditures	161,696,181	8,227,759	169,923,940	245,548,924
Excess (deficiency) of revenues over (under) expenditures	(150,275,093)	(7,325,396)	(157,600,489)	(235,008,383)
OTHER FINANCING SOURCES (USES)				
Transfers in	83,166,163	29,317,711	112,483,874	137,324,438
Transfers out	(4,400,989)	(879,131)	(5,280,120)	(4,378,223)
Issuance of debt	92,684,272	7,956,500	100,640,772	102,062,168
Proceeds from SBITA	-	95,266	95,266	-
Total other financing sources (uses)	171,449,446	36,490,346	207,939,792	235,008,383
Net change in fund balances	$ 21,174,353	29,164,950	$ 50,339,303	$ -
Fund balances - beginning		21,174,353		
Fund balances - ending		$ 50,339,303		

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL OBLIGATION FUND
From Inception and For the Year Ended September 30, 2023

	Prior Years Actual	Current Year Actual	Total Actual to Date	Project Authorization
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ 931,250
Investment earnings	200,788	848,772	1,049,560	-
Total revenues	200,788	848,772	1,049,560	931,250
EXPENDITURES				
Parks and recreation	124,217	-	124,217	11,257,549
Capital outlay	22,212,854	11,377,041	33,589,895	46,899,921
Total expenditures	22,337,071	11,377,041	33,714,112	58,157,470
Excess (deficiency) of revenues over (under) expenditures	(22,136,283)	(10,528,269)	(32,664,552)	(57,226,220)
OTHER FINANCING SOURCES (USES)				
Transfers in	10,838,140	-	10,838,140	16,201,899
Issuance of debt	29,781,291	-	29,781,291	29,781,290
Debt Proceeds	-	-	-	11,243,031
Total other financing sources (uses)	40,619,431	-	40,619,431	57,226,220
Net change in fund balances	$ 18,483,148	(10,528,269)	$ 7,954,879	$ -
Fund balances - beginning		18,483,148		
Fund balances - ending		$ 7,954,879		

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS

Internal service funds are used to account for activity that provides goods or services to other funds, departments or agencies of the primary government and its component units on a cost-reimbursement basis.

- Risk Management Fund – used to account for self-insurance of workers compensation and risk management activity for auto liability, property and contents loss, and general liability.
- Facilities Management – used to account for the costs of operation for the repair and maintenance of city owned/leased buildings and equipment. Such costs are billed to other departments.
- Fleet Management – used to account for the costs of operation for the repair and maintenance of city owned/leased vehicles and equipment. Such costs are billed to other departments.
- Project Management – used to account for the costs of operation for the CIP Division that oversees management of all capital projects.
- Self-funded Health Insurance – used to account for the self-funded medical health insurance plan and the on-site employee health clinic.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
September 30, 2023

	Risk Management	Facilities Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
ASSETS						
Current assets:						
Cash and investments	$ 30,391,990	$ 1,158,449	$ 4,228,712	$ 360,282	$ 11,151,451	$ 47,290,884
Interest receivable	136,712	-	-	-	50,544	187,256
Accounts receivable, net	-	-	-	-	57,995	57,995
Prepaid items	137,107	-	16,082	-	362,672	515,861
Total current assets	30,665,809	1,158,449	4,244,794	360,282	11,622,662	48,051,996
Noncurrent assets:						
Capital assets (net of accumulated depreciation)						
Buildings	4,115	261,388	642,121	-	-	907,624
Improvements other than buildings	-	-	63,796	-	-	63,796
Equipment	56,469	1,031,594	1,351,560	354,375	-	2,793,998
Right to use - equipment	-	-	822,745	-	-	822,745
Intangible computer software	-	-	705,245	-	-	705,245
Construction in progress	-	-	100,587	-	-	100,587
Less accumulated depreciation	(52,673)	(979,093)	(2,407,660)	(258,750)	-	(3,698,176)
Total capital assets, net	7,911	313,889	1,278,394	95,625	-	1,695,819
Total noncurrent assets	7,911	313,889	1,278,394	95,625	-	1,695,819
Total assets	30,673,720	1,472,338	5,523,188	455,907	11,622,662	49,747,815
DEFERRED OUTFLOWS OF RESOURCES						
Pension related	72,999	1,296,459	484,712	531,431	40,880	2,426,481
OPEB related	100,817	1,165,186	478,914	635,393	34,917	2,415,227
Total deferred outflows of resources	173,816	2,461,645	963,626	1,166,824	75,797	4,841,708
LIABILITIES						
Current liabilities:						
Accounts payable and other accrued liabilities	24,513	296,712	512,568	2,504	2,587,666	3,423,963
Accrued payroll	14,929	161,560	61,559	119,194	4,547	361,789
Compensated absences	5,644	46,002	14,599	47,627	1,716	115,588
Lease Payable	-	-	160,788	-	-	160,788
Claims liability	3,020,294	-	-	-	1,547,000	4,567,294
Total current liabilities	3,065,380	504,274	749,514	169,325	4,140,929	8,629,422
Noncurrent liabilities:						
Compensated absences	30,867	366,731	130,610	200,117	17,461	745,786
Total OPEB liability	570,710	6,595,941	2,711,063	3,596,866	197,661	13,672,241
Claims liability	8,357,344	-	-	-	-	8,357,344
Lease Payable	-	-	655,883	-	-	655,883
Net pension liability	258,335	4,588,025	1,715,343	1,880,677	144,667	8,587,047
Total noncurrent liabilities	9,217,256	11,550,697	5,212,899	5,677,660	359,789	32,018,301
Total liabilities	12,282,636	12,054,971	5,962,413	5,846,985	4,500,718	40,647,723
DEFERRED INFLOWS OF RESOURCES						
Pension related	3,072	54,564	20,400	22,366	1,720	102,122
OPEB related	228,964	2,646,228	1,087,652	1,443,028	79,300	5,485,172
Total deferred inflows of resources	232,036	2,700,792	1,108,052	1,465,394	81,020	5,587,294
NET POSITION						
Net investment in capital assets	7,911	313,889	1,117,606	95,625	-	1,535,031
Unrestricted	18,324,953	(11,135,669)	(1,701,257)	(5,785,273)	7,116,721	6,819,475
Total net position	$ 18,332,864	$ (10,821,780)	$ (583,651)	$ (5,689,648)	$ 7,116,721	$ 8,354,506

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023

	Risk Management	Facilities Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
OPERATING REVENUES						
Charges for services	$ 8,947,179	$ 6,563,720	$ 5,188,888	$ 2,892,694	$ 36,512,044	$ 60,104,525
Other revenue	919,988	38,892	3,459	-	3,657,081	4,619,420
Total operating revenues	9,867,167	6,602,612	5,192,347	2,892,694	40,169,125	64,723,945
OPERATING EXPENSES						
Salaries, wages and employee benefits	249,531	5,089,967	2,023,554	8,417,690	138,940	15,919,682
Contractual services, materials and supplies	3,036,047	2,600,059	3,553,250	169,648	6,532,167	15,891,171
Claims and claims adjustments	2,487,586	-	-	-	28,390,756	30,878,342
Depreciation	5,584	62,923	162,478	20,870	-	251,855
Total operating expenses	5,778,748	7,752,949	5,739,282	8,608,208	35,061,863	62,941,050
Operating income (loss)	4,088,419	(1,150,337)	(546,935)	(5,715,514)	5,107,262	1,782,895
NONOPERATING REVENUES (EXPENSES)						
Investment earnings (loss)	457,979	30,036	83,959	160	132,674	704,808
Non-capital federal & state grants	7,399	116,407	38,903	25,706	3,235	191,650
Interest expense	-	-	(5,302)	-	-	(5,302)
Rents & Royalties	-	-	46,876	-	-	46,876
Gain (loss) on disposal of capital assets	-	32,000	-	-	-	32,000
Debt Issuance Costs	-	-	(35,000)	-	-	(35,000)
Total nonoperating revenues (expenses)	465,378	178,443	129,436	25,866	135,909	935,032
Income (loss) before transfers	4,553,797	(971,894)	(417,499)	(5,689,648)	5,243,171	2,717,927
Transfers						
Transfers in	-	-	448,934	-	41,405	490,339
Total transfers	-	-	448,934	-	41,405	490,339
Change in net position	4,553,797	(971,894)	31,435	(5,689,648)	5,284,576	3,208,266
Total net position - beginning	13,779,067	(9,849,886)	(615,086)	-	1,832,145	5,146,240
Total net position - ending	$ 18,332,864	$ (10,821,780)	$ (583,651)	$ (5,689,648)	$ 7,116,721	$ 8,354,506

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended September 30, 2023

	Risk Management	Facility Management	Fleet Management	Project Management	Self-funded Health Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES:						
Cash received from customers	$ 9,867,169	$ 6,602,609	$ 5,192,345	$ 2,892,694	$ 40,186,496	$ 64,741,313
Cash payments for claims	(984,127)	-	-	-	(28,907,291)	(29,891,418)
Cash payments to suppliers	(5,457,821)	(2,400,863)	(3,271,651)	(167,142)	(7,170,870)	(18,468,347)
Cash payments to employees	(391,322)	(5,352,475)	(1,951,455)	(2,274,641)	(136,620)	(10,106,513)
Net cash provided (used) by operating activities	3,033,899	(1,150,729)	(30,761)	450,911	3,971,715	6,275,035
Debt issuance costs	-	-	(35,000)	-	-	(35,000)
Non-capital Federal & State Grants	7,399	116,407	38,903	25,706	3,235	191,650
Transfers in	-	-	448,934	-	41,405	490,339
Net cash provided by noncapital financing activities	7,399	116,407	452,837	25,706	44,640	646,989
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Acquisition and construction of capital assets	-	(230,814)	(123,271)	(116,495)	-	(470,580)
Proceeds on sale of capital assets	-	32,000	-	-	-	32,000
Net cash (used) by capital and related financing activities	-	(198,814)	(123,271)	(116,495)	-	(438,580)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Investment earnings (loss)	342,793	30,036	83,959	160	91,578	548,526
Net cash provided by investing activities	342,793	30,036	83,959	160	91,578	548,526
Net increase (decrease) in cash	3,384,091	(1,203,100)	382,764	360,282	4,107,933	7,031,970
Cash and investments - beginning	27,007,899	2,361,549	3,845,948	-	7,043,518	40,258,914
Cash and investments - ending	$ 30,391,990	$ 1,158,449	$ 4,228,712	$ 360,282	$ 11,151,451	$ 47,290,884
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating income (loss)	$ 4,088,419	$ (1,150,337)	$ (546,935)	$ (5,715,514)	$ 5,107,262	$ 1,782,895
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:						
Depreciation expense	5,584	62,923	162,478	20,870	-	251,855
(Increase) decrease in assets:						
Accounts receivable, net	-	-	-	-	17,368	17,368
Prepaid items	674,969	15,610	(468)	-	(362,672)	327,439
(Increase) decrease in deferred outflows:						
Pension related	106,801	840,592	404,013	(531,431)	36,178	856,153
OPEB related	62,183	635,191	200,305	(635,393)	14,180	276,466
Increase (decrease) in liabilities:						
Accounts payable and other accrued liabilities	(609,158)	183,586	282,063	2,504	(276,029)	(417,034)
Accrued payroll	(1,899)	(44,854)	(5,200)	119,194	(2,876)	64,365
Compensated absences	10,091	4,977	3,237	247,744	(1,268)	264,781
Total OPEB liability	(337,380)	(3,434,155)	(1,072,943)	3,596,866	(75,865)	(1,323,477)
Net pension liability	(140,010)	(146,585)	(253,617)	1,880,677	(26,052)	1,314,413
Claims liability	(984,127)	-	-	-	(516,535)	(1,500,662)
Increase (decrease) in deferred inflows:						
Pension related	(3,393)	(22,283)	(11,558)	22,366	(1,051)	(15,919)
OPEB related	161,819	1,904,606	807,864	1,443,028	59,075	4,376,392
Total adjustments	(1,054,520)	(392)	516,174	6,166,425	(1,135,547)	4,492,140
Net cash provided (used) by operating activities	$ 3,033,899	$ (1,150,729)	$ (30,761)	$ 450,911	$ 3,971,715	$ 6,275,035

Supplemental disclosure of noncash investing, capital and financing activities:
Risk Management decrease in fair value of investments of $375,484
Self Insurance Fund decrease in fair value of investments $109,992
Internal Service Funds entered into a lease in the amount of $858,245.

FIDUCIARY FUNDS

Pension Trust Funds

Account for activities of firefighters', police officers' and the general employees' pension funds, which accumulate resources for pension benefits and disability payments to qualified retirees.

COMBINING STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2023

	Pension Trust Funds			
	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	Total Pension Trust Funds
ASSETS				
Cash and cash equivalents	$ 5,754,848	$ 7,234,922	$ 10,463,359	$ 23,453,129
Receivables:				
Member contributions	3,750	-	-	3,750
Employer contributions	-	112,912	-	112,912
Due from brokers	181,864	61,256	112,203	355,323
Investment receivable	64,246	285,156	337,192	686,594
Total receivables	249,860	459,324	449,395	1,158,579
Securities purchased in transit	4,000,000	-	-	4,000,000
Investments, at fair value:				
US Government Obligations and Federal Agency Guaranteed Securities	-	6,113,889	6,320,285	12,434,174
Mortgage backed securities	-	6,924,197	5,675,117	12,599,314
Collateralized mortgage obligation	-	1,121,812	944,016	2,065,828
Corporate bonds	-	3,674,688	3,285,271	6,959,959
Foreign bonds	-	535,458	566,883	1,102,341
Certificates of deposit	-	274,208	313,645	587,853
Stocks	63,120,217	-	76,257,724	139,377,941
Mutual and ETF funds				
Equity	40,374,669	101,181,530	34,828,493	176,384,692
Balanced	-	22,596,012	9,534,057	32,130,069
Fixed income	77,339	-	-	77,339
Pooled/common/commingled funds/partnerships				
Fixed income	80,382,109	5,508,424	11,085,102	96,975,635
Equity	55,799,393	25,947,627	19,452,191	101,199,211
Private equity	50,814,017	20,402,241	18,018,060	89,234,318
Private credit	-	1,754,063	3,961,474	5,715,537
Real estate	53,966,379	36,271,191	35,104,207	125,341,777
Farmland	16,831,892	-	-	16,831,892
Multi-Asset Class Solutions (MACS)	12,400,452	-	-	12,400,452
Infrastructure	18,326,897	1,821,306	9,986,880	30,135,083
Total investments	392,093,364	234,126,646	235,333,405	861,553,415
Total assets	402,098,072	241,820,892	246,246,159	890,165,123
LIABILITIES				
Accounts payable	350,790	82,284	216,576	649,650
Due to broker for securities purchased	95,374	227,976	149,137	472,487
Member contributions payable	139,928	-	15,042	154,970
Prepaid contributions	-	11,361	-	11,361
Total liabilities	586,092	321,621	380,755	1,288,468
NET POSITION RESTRICTED FOR PENSIONS	$ 401,511,980	$ 241,499,271	$ 245,865,404	$ 888,876,655

STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Year Ended September 30, 2023

	Pension Trust Funds			
	Municipal General Employees'	Municipal Police Officers'	Municipal Firefighters'	Total Pension Trust Funds
ADDITIONS				
Contributions:				
Employer	$ 16,935,472	$ 9,880,446	$ 9,798,159	$ 36,614,077
Plan members	6,534,848	2,871,596	2,486,135	11,892,579
Member buybacks	169,939	-	20,470	190,409
State of Florida	-	2,285,409	2,283,482	4,568,891
Total contributions	23,640,259	15,037,451	14,588,246	53,265,956
Investment income (expense):				
Investment income	10,712,218	6,615,733	4,882,944	22,210,895
Net increase in fair value of investments	24,188,413	14,023,943	16,798,853	55,011,209
Less: investment expenses	(1,223,560)	(573,064)	(806,782)	(2,603,406)
Net Investment Income (Loss)	33,677,071	20,066,612	20,875,015	74,618,698
Total additions	57,317,330	35,104,063	35,463,261	127,884,654
DEDUCTIONS				
Benefits and refunds	23,752,121	11,521,328	13,304,028	48,577,477
Administrative expenses	330,514	165,315	172,422	668,251
Total deductions	24,082,635	11,686,643	13,476,450	49,245,728
Net increase in net position	33,234,695	23,417,420	21,986,811	78,638,926
Net position - beginning	368,277,285	218,081,851	223,878,593	810,237,729
Net position - ending	$ 401,511,980	$ 241,499,271	$ 245,865,404	$ 888,876,655

III. STATISTICAL SECTION



STATISTICAL SECTION
(Unaudited)

This part of the City of Cape Coral, Florida's Annual Comprehensive 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 City's overall financial health.

Contents Page

Financial Trends 170

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

Revenue Capacity 175

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

Debt Capacity 180

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. The City has no legal debt margin and therefore it is not reported in these schedules.

Demographic and Economic Information 184

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

Operating Information 185

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

Source: Unless otherwise noted, the information in these schedules was obtained from the Comprehensive Financial Reports for the relevant year. The City implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

Schedule 1

NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Governmental activities										
Net investment in capital assets	$ 211,573,951	$ 206,045,063	$ 215,610,383	$ 226,821,441	$ 244,770,705	$ 259,385,054	$ 276,393,691	$ 267,501,395	$ 316,970,393	$ 330,817,296
Restricted	33,522,887	39,172,890	49,389,716	53,759,601	71,209,165	82,675,046	87,759,451	128,609,536	117,195,410	147,451,567
Unrestricted	(41,654,894)	(129,177,798)	(133,595,277)	(129,318,499)	(238,304,065)	(209,199,090)	(207,075,890)	(167,668,618)	(181,240,689)	(212,181,810)
Total governmental activities net position	203,441,944	116,040,155	131,404,822	151,262,543	77,675,805	132,861,010	157,077,252	228,442,313	252,925,114	266,087,053
Business-type activities										
Net investment in capital assets	362,080,880	361,707,442	374,994,099	371,601,686	420,502,966	458,982,283	464,780,619	434,630,800	476,407,460	510,260,888
Restricted	66,696,901	92,631,969	89,937,196	101,978,014	77,224,216	64,806,405	97,781,941	144,962,165	126,816,890	175,966,063
Unrestricted	16,979,433	(26,625,585)	(17,705,952)	(8,257,372)	(31,086,868)	(16,607,742)	(5,927,012)	15,219,164	13,488,006	(10,709,735)
Total business-type activities net position	445,757,214	427,713,826	447,225,343	465,322,328	466,640,314	507,180,946	556,635,548	594,812,129	616,712,356	675,517,216
Primary government										
Net investment in capital assets	573,654,831	567,752,505	590,604,482	598,423,127	665,273,671	718,367,337	741,174,310	702,132,195	793,377,853	841,078,184
Restricted	100,219,788	131,804,859	139,326,912	155,737,615	148,433,381	147,481,451	185,541,392	273,571,701	244,012,300	323,417,630
Unrestricted	(24,675,461)	(155,803,383)	(151,301,229)	(137,575,871)	(269,390,933)	(225,806,832)	(213,002,902)	(152,449,454)	(167,752,683)	(222,891,545)
Total primary government net position	$ 649,199,158	$ 543,753,981	$ 578,630,165	$ 616,584,871	$ 544,316,119	$ 640,041,956	$ 713,712,800	$ 823,254,442	$ 869,637,470	$ 941,604,269

Schedule 2
CHANGES IN NET POSITION
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Expenses										
Governmental activities:										
General government	$ 43,386,715	$ 52,344,411	$ 51,588,399	$ 71,064,097	$ 71,403,749	$ 56,136,504	$ 65,318,687	$ 57,652,564	$ 70,163,483	$ 137,039,655
Public safety:										
Police	34,265,016	37,755,665	37,862,679	35,940,818	37,171,888	42,334,344	54,927,640	49,308,836	64,624,915	67,672,568
Fire	29,089,119	34,071,631	29,941,799	27,531,173	29,341,496	33,884,575	36,570,740	36,956,056	56,351,131	60,823,674
Building	2,995,300	3,134,523	3,804,593	5,315,723	5,729,880	7,281,966	9,155,572	8,891,596	11,767,161	22,435,338
Public works	16,905,388	18,101,671	18,268,298	18,415,038	21,523,769	19,131,947	20,707,629	38,352,779	41,777,518	46,854,347
Parks and recreation	17,069,459	17,024,031	17,997,257	15,928,133	20,381,690	24,242,652	22,739,835	23,629,879	22,759,195	27,385,293
Community development	6,640,062	5,559,972	6,979,622	8,362,954	7,342,215	8,976,196	10,083,847	11,109,315	20,006,185	5,266,206
Interest on long-term debt	10,953,024	10,223,210	9,641,749	8,628,106	8,578,175	8,453,675	7,293,468	6,142,575	6,197,290	6,196,304
Total governmental activities expenses	161,304,083	178,215,114	176,084,396	191,186,042	201,472,862	200,441,859	226,797,418	232,043,600	293,646,878	373,673,385
Business-type activities:										
Water and sewer	98,202,689	101,071,789	99,123,629	113,611,296	111,524,023	110,944,079	116,276,689	124,822,818	126,031,222	135,938,198
Stormwater	13,572,941	13,270,032	13,029,277	13,912,403	14,312,734	14,097,707	12,386,918	14,517,890	17,560,240	17,047,954
Yacht basin	992,058	345,457	372,349	323,196	471,313	560,728	434,734	455,013	510,925	470,657
Golf course[1]	2,710,132	2,450,043	2,790,829	2,457,563	3,086,272	-	-	-	-	-
Total business-type activities expenses	115,477,820	117,137,321	115,316,084	130,304,458	129,394,342	125,602,514	129,098,341	139,795,721	144,102,387	153,456,809
Total primary government expenses	$ 276,781,903	$ 295,352,435	$ 291,400,480	$ 321,490,500	$ 330,867,204	$ 326,044,373	$ 355,895,759	$ 371,839,321	$ 437,749,265	$ 527,130,194
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 9,820,161	$ 11,911,283	$ 11,008,789	$ 10,814,798	$ 12,887,037	$ 12,091,075	$ 15,963,210	$ 15,451,746	$ 18,541,630	$ 21,476,272
Public safety:										
Police	831,945	938,606	1,244,054	1,107,582	1,203,878	2,410,679	2,597,112	2,571,194	3,424,119	3,283,939
Fire	231,567	312,388	288,432	489,918	407,676	514,556	501,004	615,516	611,115	33,029,375
Building	4,022,162	4,875,890	6,411,115	7,625,904	9,104,243	8,954,673	9,113,305	10,638,710	11,736,729	12,977,615
Public works	4,036,205	6,130,223	3,151,358	3,725,324	3,828,797	4,592,729	4,938,259	4,831,903	23,953,025	27,209,244
Parks and recreation	5,740,866	5,873,336	5,397,864	5,553,828	5,718,774	8,643,667	5,686,306	8,757,042	7,102,971	6,655,154
Community development	1,515,921	1,679,724	1,408,377	2,653,407	2,822,241	2,716,929	2,121,287	1,986,452	1,694,703	1,261,682
Operating grants and contributions	16,150,059	16,222,090	29,559,152	30,599,539	30,797,279	45,075,047	35,558,002	56,257,486	42,262,398	40,335,690
Capital grants and contributions	7,306,283	9,505,165	8,416,807	12,353,016	14,398,409	16,606,019	18,193,878	30,397,563	30,135,097	28,335,183
Total governmental activities program revenues	49,655,169	57,448,705	66,885,948	74,923,316	81,168,334	101,605,374	94,672,363	131,507,612	139,461,787	174,564,154
Business-type activities:										
Charges for services:										
Water and sewer	73,603,154	76,614,078	80,067,263	82,880,688	85,104,961	87,484,498	90,863,045	97,013,105	101,692,336	108,742,622
Stormwater	12,329,090	12,317,747	13,123,358	14,589,855	18,558,103	19,578,122	20,463,395	21,931,905	25,216,173	24,050,199
Yacht basin	992,314	562,119	588,539	669,484	687,066	731,151	741,800	925,027	834,932	190,554
Golf course[1]	2,308,820	2,218,021	2,126,888	1,952,198	2,440,346	-	-	-	-	-
Operating grants and contributions	6,571,091	9,989,134	1,122,668	278,376	497,240	803,491	1,217,722	166,762	-	1,177,278
Capital grants and contributions	29,123,990	22,957,693	27,669,127	45,983,423	46,952,564	40,686,916	50,271,652	48,167,652	42,711,659	60,564,928
Total business-type activities program revenues	124,928,459	124,658,792	124,697,843	146,354,024	154,240,280	149,284,178	163,557,614	168,204,451	170,455,100	194,725,581
Total primary government program revenues	$ 174,583,628	$ 182,107,497	$ 191,583,791	$ 221,277,340	$ 235,408,614	$ 250,889,552	$ 258,229,977	$ 299,712,063	$ 309,916,887	$ 369,289,735
Net (Expense)/Revenue										
Governmental activities	$ (111,648,914)	$ (120,766,409)	$ (109,198,448)	$ (116,262,726)	$ (120,304,528)	$ (98,836,485)	$ (132,125,055)	$ (100,535,988)	$ (154,185,091)	$ (199,109,231)
Business-type activities	9,450,639	7,521,471	9,381,759	16,049,566	24,845,938	23,681,664	34,459,273	28,408,730	26,352,713	41,268,772
Total primary government net expense	$ (102,198,275)	$ (113,244,938)	$ (99,816,689)	$ (100,213,160)	$ (95,458,590)	$ (75,154,821)	$ (97,665,782)	$ (72,127,258)	$ (127,832,378)	$ (157,840,459)

Source: City of Cape Coral, Financial Services Department

Schedule 2
CHANGES IN NET POSITION (continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purpose	$ 71,451,329	$ 77,445,321	$ 75,239,444	$ 79,463,250	$ 87,094,669	$ 93,758,005	$ 97,354,823	$ 102,829,432	$ 111,520,612	$ 117,285,495
Property taxes, levied for debt service	-	-	-	-	-	-	890,520	4,789,152	832,824	1,018,179
Property taxes, other (CRA and All Hazards)	755,178	900,184	1,094,755	1,344,219	1,632,023	1,823,177	2,116,284	2,352,659	2,693,558	3,097,775
Public service tax	7,229,414	7,168,083	7,250,872	7,103,228	7,135,139	7,874,558	8,283,000	8,657,041	12,291,927	15,235,484
Sales	16,792,598	18,336,760	18,136,627	18,646,222	20,194,344	20,678,121	20,040,384	24,359,362	29,260,198	31,999,585
Fuel	9,092,366	9,716,679	10,222,671	10,496,714	10,738,730	10,786,583	10,597,558	11,914,185	12,778,832	14,608,848
Alcohol and beverage	72,845	69,298	67,005	78,660	71,954	74,391	82,980	89,310	84,262	86,972
Communication	5,773,054	5,489,539	5,168,297	5,319,563	4,626,232	4,884,741	4,892,611	4,808,291	5,165,407	5,509,770
Franchise	6,520,354	6,549,306	6,622,099	6,433,799	6,534,366	7,018,299	7,199,932	7,425,743	9,035,573	10,749,377
Investment earnings	246,807	494,208	1,044,202	1,057,749	1,506,682	5,505,156	4,166,330	514,908	(4,912,296)	12,429,557
Gain/Loss on sale of capital assets	-	-	-	-	-	-	-	-	-	246,285
Transfers	(4,180)	163,837	(282,857)	6,177,043	(639,421)	2,602,824	716,875	595,293	229,401	3,843
Total governmental activities	117,929,765	126,333,215	124,563,115	136,120,447	138,894,718	155,005,855	156,341,297	168,335,376	178,980,298	212,271,170
Business-type activities:										
Investment earnings	-	-	9,846,901	8,224,462	5,370,071	18,476,627	15,514,781	10,268,244	(4,223,085)	17,176,830
Gain on sale of capital assets	-	-	-	-	-	-	197,423	94,900	-	363,101
Transfers	4,180	(163,837)	282,857	(6,177,043)	639,421	(2,602,824)	(716,875)	(595,293)	(229,401)	(3,843)
Total business-type activities	4,180	(163,837)	10,129,758	2,047,419	6,009,492	15,873,803	14,995,329	9,767,851	(4,452,486)	17,536,088
Total primary government	$ 117,933,945	$ 126,169,378	$ 134,692,873	$ 138,167,866	$ 144,904,210	$ 170,879,658	$ 171,336,626	$ 178,103,227	$ 174,527,812	$ 229,807,258
Change in Net Position										
Governmental activities	$ 6,280,851	$ 5,566,806	$ 15,364,667	$ 19,857,721	$ 18,590,190	$ 56,169,370	$ 24,216,242	$ 67,799,388	$ 24,795,207	$ 13,161,939
Business-type activities	9,454,819	7,357,634	19,511,517	18,096,985	30,855,430	39,556,467	49,454,602	38,176,581	21,900,227	58,804,860
Total primary government	$ 15,735,670	$ 12,924,440	$ 34,876,184	$ 37,954,706	$ 49,445,620	$ 95,725,837	$ 73,670,844	$ 105,975,969	$ 46,695,434	$ 71,966,799

[1] Beginning in FY2019 the Golf Course was reclassified from a business-type activity to a governmental activity.

Schedule 3

FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund										
Nonspendable	$ 1,165,609	$ 879,483	$ 842,608	$ 1,361,649	$ 797,831	$ 678,397	$ 339,486	$ 1,640,535	$ 12,179,757	$ 11,127,604
Restricted	-	-	-	-	-	-	-	-	4,791,524	-
Committed	4,502,186	6,169,213	7,946,254	11,446,344	8,615,344	20,153,572	15,034,294	14,128,519	67,123,613	40,012,682
Assigned	199,927	1,281,341	469,442	1,134,329	2,237,766	602,548	-	19,434,402	34,629,010	22,397,113
Unassigned	30,501,100	46,494,247	41,286,873	36,568,335	26,505,262	49,868,704	71,819,063	77,819,925	5,187,374	-
Total General Fund	$ 36,368,822	$ 54,824,284	$ 50,545,177	$ 50,510,657	$ 38,156,203	$ 71,303,221	$ 87,192,843	$ 113,023,381	$ 123,911,278	$ 73,537,399
All Other Governmental Funds										
Nonspendable	$ 110,351	$ 93,869	$ 88,095	$ 98,890	$ 103,595	$ 135,939	$ 132,856	$ 154,066	$ 157,329	$ 188,509
Restricted	34,216,824	37,988,089	46,671,710	53,051,681	69,986,603	80,568,713	85,624,344	126,593,970	130,462,498	153,556,885
Committed	13,312,428	22,320,327	19,074,472	29,299,004	16,625,680	15,329,721	19,027,365	34,389,205	53,912,708	76,385,365
Unassigned	(369,155)	(108,446)	(157,390)	(202,173)	(441,087)	(763,527)	(1,612,608)	(277,725)	(10,227,869)	(9,225,730)
Total All Other Governmental Funds	$ 47,270,448	$ 60,293,839	$ 65,676,887	$ 82,247,402	$ 86,274,791	$ 95,270,846	$ 103,171,957	$ 160,859,516	$ 174,304,666	$ 220,905,029

Schedule 4

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Revenues										
Taxes	$ 111,166,784	$ 119,108,217	$ 117,196,480	$ 122,451,856	$ 131,493,091	$ 139,879,576	$ 144,258,160	$ 159,799,432	$ 174,627,620	$ 188,842,108
Special assessments	10,080,686	13,449,945	20,930,885	22,641,361	22,857,608	24,421,883	26,076,554	27,003,070	28,666,337	31,677,953
Licenses and permits	4,015,563	4,876,346	7,251,734	8,452,874	9,890,576	9,834,129	10,161,251	11,372,086	12,609,936	13,666,290
Franchise fees	6,520,354	6,549,306	6,622,099	6,433,799	6,534,366	7,018,299	7,199,932	7,425,743	9,035,573	10,749,377
Intergovernmental	6,452,157	8,455,219	6,967,431	10,083,547	7,124,612	17,711,304	10,258,795	30,460,083	17,147,598	37,575,557
Charges for services	13,988,879	14,773,565	14,020,091	15,173,625	17,660,274	21,240,864	21,542,012	24,659,080	42,557,915	46,473,976
Fines and forfeitures	746,712	819,205	841,830	1,067,476	968,608	853,851	823,857	1,039,333	1,514,070	989,214
Impact fees	3,981,431	5,553,426	8,510,926	12,403,864	14,555,217	15,231,581	17,963,254	29,387,753	28,227,963	27,734,498
Rent and royalties	3,763,481	4,079,452	4,110,301	3,512,705	3,875,352	4,008,325	3,859,764	3,360,695	2,036,959	2,393,863
Investment earnings	469,754	1,013,354	960,991	962,872	1,398,445	4,674,239	3,638,138	492,908	(4,398,595)	11,724,749
Contributions and donations	264,250	277,742	242,727	338,145	280,020	530,398	453,575	78,910	1,979,066	125,776
Other revenue	2,343,858	5,621,385	1,926,213	1,599,434	2,074,324	2,574,980	1,887,918	2,254,048	3,221,154	5,921,074
Total revenues	163,793,909	184,577,162	189,581,708	205,121,558	218,712,493	247,979,429	248,123,210	297,333,141	317,225,596	377,874,435
Expenditures										
General government	36,664,982	40,382,204	45,579,202	53,777,415	66,604,588	53,835,554	55,473,008	52,226,189	57,802,509	129,096,584
Public safety:										
Police	29,742,744	31,974,963	34,745,411	34,921,546	36,893,957	38,175,923	43,486,435	45,562,755	49,204,664	60,311,962
Fire	24,848,816	26,028,314	26,574,399	27,520,189	31,188,734	31,523,736	33,606,194	35,584,248	40,522,011	51,733,773
Building	2,689,712	2,929,952	3,405,018	4,238,583	5,108,187	5,524,032	7,767,384	8,013,736	9,259,453	12,995,500
Public works	11,788,826	12,540,223	12,322,752	13,879,757	16,164,425	13,888,893	15,130,991	32,835,662	36,049,384	41,394,383
Parks and recreation	13,756,920	14,603,776	15,281,586	16,587,509	17,589,379	21,742,395	20,009,334	20,992,431	20,323,773	20,992,932
Community development	5,691,090	5,979,224	6,709,083	6,893,028	7,340,488	7,542,901	8,118,342	8,586,796	17,784,355	9,618,225
Capital outlay	6,921,521	10,676,484	19,389,174	16,267,397	32,333,090	24,860,257	27,816,354	24,894,016	42,609,807	38,618,029
Principal	8,844,063	9,497,601	11,292,837	11,806,372	11,942,674	12,761,711	17,095,898	14,849,339	13,213,793	19,157,011
Interest and fiscal charges	10,813,779	10,342,261	9,722,762	9,311,497	8,593,724	8,469,641	7,248,344	6,045,360	6,524,838	6,538,242
Bond issuance cost	101,611	483,913	-	440,620	39,873	38,423	129,421	208,083	35,286	41,000
Total expenditures	151,864,064	165,438,915	185,022,224	195,643,913	233,799,119	218,363,466	235,881,705	249,798,615	293,329,873	390,497,641
Excess of revenues under expenditures	11,929,845	19,138,247	4,559,484	9,477,645	(15,086,626)	29,615,963	12,241,505	47,534,526	23,895,723	(12,623,206)
Other Financing Sources (Uses)										
Transfers in	27,265,208	31,887,089	31,052,126	48,438,259	69,718,917	60,069,144	53,364,535	67,977,078	69,394,983	112,396,839
Transfers out	(27,259,388)	(31,723,252)	(34,657,646)	(43,261,216)	(71,447,191)	(57,466,320)	(52,647,660)	(67,369,785)	(72,678,409)	(112,883,335)
Refunding bonds issued	(21,371,001)	-	-	-	-	-	-	-	-	-
Issuance of debt	26,733,000	66,965,000	-	62,595,000	7,912,705	10,200,000	45,888,990	29,998,012	3,520,000	8,000,000
Premium on debt	-	4,260,306	-	8,041,561	-	-	-	-	-	-
Payment to escrow agent to refund bonds	(5,252,769)	(59,492,199)	-	(70,193,955)	-	-	(37,252,464)	-	-	-
Proceeds from SBITA	-	-	-	-	-	-	-	-	-	834,463
Proceeds on sale of capital assets	226,810	443,662	149,977	1,438,701	575,130	394,321	2,195,827	2,124,999	200,750	337,808
Total other financing sources	341,860	12,340,606	(3,455,543)	7,058,350	6,759,561	13,197,145	11,549,228	32,730,304	437,324	8,685,775
Net change in fund balances	$ 12,271,705	$ 31,478,853	$ 1,103,941	$ 16,535,995	$ (8,327,065)	$ 42,813,108	$ 23,790,733	$ 80,264,830	$ 24,333,047	$ (3,937,431)
Debt service as a percentage of noncapital expenditures	13.56%	12.82%	12.69%	11.77%	10.19%	10.97%	11.70%	9.29%	7.89%	7.31%

Schedule 5
IMPACT FEE REVENUES
Last Ten Fiscal Years

	Governmental Activities					Business-type activities		
Fiscal Year	Fire[1]	Police[1]	Advanced Life Support[1]	Park Recreational Facilities	Road	Water	Wastewater	Irrigation
2014	$ 366,857	$ 378,990	$ 22,333	$ 642,240	$ 2,571,011	$ 1,859,278	$ 5,736,228	$ 891,280
2015	584,514	601,536	35,446	1,041,410	3,290,520	2,177,497	611,600	1,046,984
2016	838,224	868,136	51,154	1,559,473	5,193,939	2,584,665	7,097,253	1,234,697
2017	1,214,515	1,257,401	74,096	2,751,820	7,106,032	4,437,182	8,048,763	2,895,091
2018	1,488,434	1,538,112	90,670	2,737,325	8,700,676	366,760	9,301,674	4,846,618
2019	1,476,290	1,465,584	86,402	2,640,320	9,562,986	3,986,461	9,825,174	5,159,005
2020	1,604,044	1,662,737	97,981	3,445,350	11,153,142	3,756,081	9,470,446	5,148,820
2021	2,772,201	2,871,598	169,897	5,746,710	17,827,347	3,297,426	10,777,845	6,684,900
2022	2,793,781	2,898,169	170,226	5,467,385	16,898,402	3,082,212	7,030,178	5,263,883
2023	2,498,246	2,584,853	152,605	5,746,709	16,752,085	3,365,799	7,700,217	5,049,317

[1] Fire, Police and Advanced Life Support are component business units of Public Safety.

Schedule 6

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Less: Tax Exempt Property[1]	Total Taxable Assessed Value	Total Direct Tax Rate	Gross Actual Value	Just Value as a Percentage of Actual Value
2014	$ 13,290,907,759	$ 475,478,158	$ 4,246,067,858	$ 9,520,318,059	7.71	$ 13,766,385,917	69.16
2015	14,859,472,913	473,544,133	5,002,060,301	10,330,956,745	7.71	15,333,017,046	67.38
2016	16,141,195,874	460,315,173	5,481,003,861	11,120,507,186	6.96	16,601,511,047	66.98
2017	18,033,222,081	458,569,377	6,446,420,411	12,045,371,047	6.75	18,491,791,458	65.14
2018	19,881,805,283	476,068,474	7,163,540,104	13,194,333,653	6.75	20,357,873,757	64.81
2019	20,913,001,536	490,938,025	7,103,505,624	14,300,433,937	6.75	21,403,939,561	66.81
2020	22,133,020,884	520,299,312	7,237,070,286	15,416,249,910	6.55	22,653,320,196	68.05
2021	23,347,653,273	536,453,956	7,305,298,240	16,578,808,989	6.68	23,884,107,229	69.41
2022	26,336,421,236	565,174,730	8,557,842,648	18,343,753,318	6.30	26,901,595,966	68.19
2023	38,843,203,268	605,923,168	16,904,056,813	22,545,069,623	5.42	39,449,126,436	57.15

Source: Lee County Property Appraiser

[1] Hurricane Ian hit Cape Coral in September 2022, resulting in damage to property. Florida property tax law granted relief to tax payers if their residential properties were rendered uninhabitable for 30 days or more. The relief applies retroactively to January 1, 2022 and expires on January 1, 2024.

Schedule 7

PROPERTY TAX MILLAGE RATES
DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years

	City of Cape Coral			Overlapping Rates			
Fiscal Year	General Government Services	General Obligation Debt Service	Total	General County	School Board	Other[1]	Total Direct and Overlapping Rates
2014	7.7070	0.0000	7.7070	4.1506	7.598	1.4580	20.9136
2015	7.7070	0.0000	7.7070	4.1506	7.416	1.4144	20.6880
2016	6.9570	0.0000	6.9570	4.1506	7.285	1.4424	19.8350
2017	6.7500	0.0000	6.7500	4.0506	6.989	1.4612	19.2508
2018	6.7500	0.0000	6.7500	4.0506	6.679	1.4872	18.9668
2019	6.7500	0.0000	6.7500	4.0506	6.401	1.3377	18.5393
2020	6.4903	0.0600	6.5503	4.0506	6.147	1.3131	18.0610
2021	6.3750	0.3000	6.6750	4.0506	6.058	1.3131	18.0967
2022	6.2500	0.0471	6.2971	3.8623	5.891	1.2838	17.3342
2023	5.3694	0.0471	5.4165	3.7623	5.557	1.0627	15.7985

[1] Other consists of Lee County Capital Improvement, Lee County All Hazards, Lee County Library, and Lee County Unincorporated MSTU.

Schedule 8

PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago

	2023			2014		
Taxpayer	Taxable Assessed Value[1]	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable City Assessed Value
Lee County Electric Co-op	$ 190,153,536	1	0.84%	-		-%
Savona Cape Coral Owner LLC	62,195,789	2	0.28	-		-
Uptown at Liberty Park Apartments	57,336,821	3	0.25	-		-
FKH SFR C1 LP	56,292,846	4	0.25	-		-
Continental 466 Fund LLC	52,857,508	5	0.23	-		-
ZP NO 339 LLC	45,171,868	6	0.20	-		-
Progress Residential Borrower	40,770,880	7	0.18	-		-
Coralina Apartments LLC	31,900,000	8	0.14	-		-
G&I X Coralwood Center LLC	31,630,493	9	0.14	-		-
Freeman & Hasselwander Resort	30,569,635	10	0.14	18,696,671	4	0.20
Corona Property Holdings LLC	-		-	28,567,154	1	0.30
Federal National Mortgage Assn	-		-	23,334,185	2	0.25
International Capital	-		-	18,791,110	3	0.20
Coral Walk FL LLC	-		-	17,777,010	5	0.19
GRE Coralwood LP	-		-	16,891,387	6	0.18
Coral Pointe Investment LLC	-		-	11,487,437	7	0.12
Wal-Mart Stores Incorporated	-		-	10,548,072	8	0.11
Larken Eugene A Jr TR	-		-	10,048,515	9	0.11
IH2 Property Florida LP	-		-	9,619,051	10	0.10
Total	$ 598,879,376		2.65%	$ 165,760,592		1.76%

[1] Source: Lee County Property Appraiser

Total taxable assessed value of Cape Coral for 2023 $ 22,545,069,623

Total taxable assessed value of Cape Coral for 2014 $ 9,520,558,825

Schedule 9

PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years

		Collected within the Fiscal Year of the Levy[1]			Total Collections to Date	
Fiscal Year	Taxes Levied for the Fiscal Year[2]	Amount	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2014	$ 73,373,091	$ 70,741,212	96.41	$ 59,157	$ 70,800,369	96.49%
2015	79,620,684	76,697,068	96.33	20,435	76,717,503	96.35
2016	77,436,922	74,492,236	96.20	28,014	74,520,250	96.23
2017	81,306,255	78,383,386	96.41	6,224	78,389,610	96.41
2018	89,061,752	85,842,852	96.39	16,861	85,859,713	96.40
2019	96,527,929	93,018,718	96.36	51,585	93,070,303	96.42
2020	100,054,568	96,330,843	96.28	26,538	96,357,381	96.30
2021	105,689,907	101,761,080	96.28	20,450	101,781,530	96.30
2022	114,641,994	110,352,088	96.26	395	110,352,483	96.26
2023	121,067,024	116,089,230	95.89	-	116,089,230	95.89

[1] Source: City of Cape Coral, Financial Services Department

[2] Source: Lee County Property Appraiser

[3]

Property taxes are levied on November 1st of each year, and are due and payable upon receipt of the notice of the levy. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Accordingly, taxes collected will not be 100% of tax levy. Taxes become delinquent on April 1st of each year, and tax certificates for the full amount of any unpaid taxes and assessments are sold at public auction prior to June 1st of each year, and the proceeds collected are remitted to the City.

Schedule 10
RATIOS OF OUTSTANDING DEBT BY TYPE[1]
Last Ten Fiscal Years

	Governmental Activities							Business-Type Activities							
Fiscal Year	General Obligation Bonds	Revenue Bonds	Notes Payable	Special Assessment	Capital Lease	Lease Payable[7]	SBITA Payable[8]	Revenue Bonds[2]	Notes Payable[3]	Special Assessment[4]	Lease Payable[7]	SBITA Payable[8]	Total Primary Government	Percentage of Personal Income[5]	Per Capita[6]
2014	$ -	$ 213,730,572	$ 2,256,647	$ -	$ 2,256,647	$ -	$ -	$ 461,361,073	$ 35,859,855	$ 130,219,029	$ -	$ -	$ 845,683,823	21.03	$ 1,357
2015	-	203,703,427	13,675,000	1,500,000	1,664,283	-	-	457,847,790	68,925,322	118,933,390	-	-	866,249,212	20.68	1,348
2016	-	194,470,804	12,092,000	1,405,000	1,062,786	-	-	447,666,810	69,578,289	107,587,751	-	-	833,863,440	18.87	1,241
2017	-	191,054,422	10,474,000	1,130,000	452,014	-	-	437,229,120	67,859,047	98,580,423	-	-	806,779,026	16.45	1,130
2018	-	180,949,932	16,466,205	855,000	273,460	-	-	449,733,033	77,847,479	85,175,423	-	-	811,300,532	15.70	1,083
2019	10,200,000	170,507,652	14,072,452	575,000	91,912	-	-	436,364,140	148,234,456	72,314,773	-	-	852,360,385	15.61	1,032
2020	9,625,000	110,522,914	66,678,554	290,000	-	-	-	352,911,586	272,155,685	59,841,948	-	-	872,025,687	15.40	1,004
2021	39,093,012	104,984,773	57,949,215	-	-	-	-	347,219,034	303,548,263	48,229,123	-	-	901,023,420	15.34	1,002
2022	37,435,887	99,751,064	52,393,504	-	-	180,573	-	341,345,117	281,815,247	37,916,298	-	-	850,837,690	11.43	912
2023	35,005,850	94,277,355	51,543,182	-	-	998,813	545,896	335,246,200	266,061,501	29,733,473	223,974	43,338	813,679,582	10.05	840

[1] Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[2] Includes debt paid only from water and sewer net revenues.

[3] Includes debt paid only from water and sewer net revenues and impact fees.

[4] Utility special assessments are paid only by the benefited property owners.

[5] See Schedule 14 for personal income and population data.

[6] Includes all governmental activities debt and only the business-type activities general obligation bonds and debt paid from stormwater net revenues.

[7] The City implemented GASB statement No. 87 Leases in Fiscal Year 2022.

[8] The City implemented GASB statement No. 96 Subscription-Based Information Technology (SBITA) in Fiscal Year 2023.

Schedule 11

RATIOS OF GENERAL BONDED DEBT OUTSTANDING[1]

Last Five Fiscal Years

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund[4]	Total	Percentage of Estimated Actual Taxable Property[2]	Per Capita[3]
2019	$ 10,200,000	$ 10,913,557	$ (713,557)	0.00%	(3.77)
2020	9,625,000	6,173,366	3,451,634	0.02%	18.53
2021	39,093,012	3,848,325	35,244,687	0.21%	174.89
2022	37,435,887	4,614,123	32,821,764	0.18%	157.76
2023	35,005,850	240,328	34,765,522	0.15%	160.22

1 Details regarding the City's outstanding debt can be found in the notes to the financial statements.

2 See Schedule 6 for property value data.

3 See Schedule 14 for population data.

4 Various debt issuances are included in amounts.

Schedule 12

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of September 30, 2023

Governmental Unit	Debt Outstanding	Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Lee County	$ 249,525,000[1]	49.534%[2]	$ 123,599,714
City direct debt			182,371,096[3]
Total direct and overlapping debt			$ 305,970,810

[1] Source: Lee County Clerk of Court, Finance Division.

[2] Determined by dividing:

Taxable assessed valuation of the City of Cape Coral (see Schedule 6)	$ 22,545,069,623
by the total taxable valuation of Lee County.	$ 45,514,769,000

[3] Source: City of Cape Coral, Financial Services Department (see Schedule 10 governmental activities).

Schedule 13
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years

	Water and Sewer Revenue Debt							Stormwater Revenue Debt		
				Debt Service Requirements[3]						
Fiscal Year	Operating Revenues[1]	Operating Expenses[2]	Revenue for Debt Services	Principal	Interest	Total	Coverage[4]	Operating Revenues[5]	Less: Operating Expenses[2]	Net Available Revenue for Debt Service
2014	$ 73,678,329	$ 38,138,225	$ 35,540,104	$ 7,825,000	$ 21,964,200	$ 29,789,200	1.19	$ 12,393,540	$ 12,071,965	$ 321,575
2015	77,043,774	40,442,926	36,600,848	8,395,000	21,018,222	29,413,222	1.24	12,404,199	11,744,731	659,468
2016	80,312,234	41,931,221	38,381,013	9,580,000	19,264,647	28,844,647	1.33	13,213,160	11,304,048	1,909,112
2017	83,094,497	45,152,483	37,942,014	9,960,000	18,888,604	28,848,604	1.32	14,688,168	12,006,814	2,681,354
2018	84,148,677	50,029,458	34,119,219	10,215,000	10,308,822	20,523,822	1.66	18,689,276	12,403,435	6,285,841
2019	88,528,491	53,550,943	34,977,548	10,760,000	17,162,753	27,922,753	1.25	20,092,980	12,520,639	7,572,341
2020	90,340,056	43,976,164	46,363,892	10,760,000	17,162,753	27,922,753	1.66	20,753,651	10,505,048	10,248,603
2021	96,534,334	32,757,215	63,777,119	11,405,000	16,580,750	27,985,750	2.28	22,017,854	11,913,287	10,104,567
2022	101,559,112	56,091,402	45,467,710	11,825,000	16,225,112	28,050,112	1.62	24,776,786	15,048,722	9,728,064
2023	108,625,572	70,504,603	38,120,969	12,210,000	15,835,786	28,045,786	1.36	25,226,785	14,630,384	10,596,401

[1] Includes interest income; excludes ad valorem taxes, and proceeds from sale of capital assets.

[2] Excludes depreciation expense, interest expense, bond discount amortization, and takes in account the bond springing resolution adjustments.

[3] Includes senior debt with a pledge of net revenues and expansion fees of the utility system.

[4] Bond covenant requires net revenues adequate to pay at least 100% of the annual debt service on all outstanding bonds becoming due in such fiscal year.

[5] Includes interest income.

Schedule 14

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Calendar Years

Fiscal Year	Population[1]	Personal Income[2]	Per Capita Personal Income[1]	Median Age[1]	School Enrollment[3]	Unemployment Rate[4]
2014	160,831	$ 4,020,935,831	$ 25,001	43	15,583	6.0
2015	163,602	4,187,883,996	25,598	44	19,839	5.2
2016	168,425	4,418,461,450	26,234	45	19,414	4.8
2017	179,804	4,904,513,708	27,277	45	19,598	3.6
2018	183,365	5,167,409,065	28,181	45	24,337	3.0
2019	189,343	5,460,273,434	28,838	46	23,733	2.9
2020	186,294	5,662,219,836	30,394	46	21,994	11.3
2021	201,526	5,874,684,426	29,151	45	24,575	3.9
2022	208,053	7,445,800,764	35,788	45	24,671	2.5
2023	216,984	8,096,107,008	37,312	46	24,598	3.2

1 Source: City of Cape Coral Economic Development Office.

2 Determined by multiplying population by per capita personal income.

3 Source: School District of Lee County.

4 Source: Florida Department of Economic Opportunity.

Schedule 15

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

	2023			2014		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Lee County School District	2,240	1	2.61%	2,380	1	3.06%
Cape Coral Hospital	1,959	2	2.29	2,084	2	2.68
City of Cape Coral	1,890	3	2.21	1,654	3	2.13
Lee Physician Group	1,615	4	1.88	-	-	-
Publix Super Markets	1,240	5	1.45	1,211	4	1.56
Wal-Mart/Sam's Club	949	6	1.11	632	5	0.81
Gulf Coast Village	396	7	0.46	417	6	0.54
Cape Coral Charter Schools	357	8	0.42	378	8	0.49
Home Depot	350	9	0.41	385	7	0.50
Sun Splash Family Water Park	300	10	0.35	-	-	-
Lowes Home Improvement Center	-		-	313	9	0.40
Marine Concepts	-		-	185	10	0.24

Source: City of Cape Coral, Economic Development Office.

[1] The data shows only employees working in the City of Cape Coral and does not include other jobs with the same employer located throughout Lee County.

Schedule 16

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	128	138	144	145	142	156	144	149	205	235
Public Safety:										
Police	334	334	339	342	334	357	368	371	389	405
Fire	206	210	212	222	217	227	228	246	255	278
Building	29	36	48	48	51	54	58	69	106	116
Public Works	137	140	145	150	152	159	73	73	82	185
Community Development	54	57	56	57	54	58	57	61	121	7
Parks and Recreation	197	209	209	210	146	211	145	208	221	251
Water and Sewer	266	279	289	300	298	302	310	311	312	304
Stormwater	96	96	96	96	96	97	99	100	107	108
Yacht Basin	3	3	3	3	3	2	3	3	3	1
Golf Course[2]	32	32	32	32	32	32	32	32	32	-
Water Park[1]	62	62	62	62	62	61	61	61	-	-
Total	1,544	1,596	1,635	1,667	1,587	1,716	1,578	1,684	1,833	1,890

Source: City of Cape Coral's Budget Department.

[1] Beginning in FY2022 Operations of the Waterpark was leased to ProParks.

[2] Beginning in FY2023 the Golf Course was reported in the General Fund

Schedule 17
OPERATING INDICATORS BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Number of sworn officers	226	226	231	234	260	260	274	274	289	272
Total calls received[1]	261,436	275,478	275,688	285,479	277,286	276,069	271,221	276,927	295,526	241,718
Number of crime scenes processed by forensics technicians	827	950	784	1,356	1,524	1,610	1,405	1,179	537	492
Traffic citations issued (all units)	10,277	8,806	8,845	11,913	11,752	11,445	10,808	10,836	17,755	21,543
Vice, intelligence and narcotics arrests	906	835	678	755	956	739	695	263	746	402
Fire										
Number of firefighters and officers	191	198	196	205	206	213	213	231	239	248
Calls for service	19,672	20,321	18,643	20,471	20,401	21,500	21,942	26,212	28,300	30,670
Inspections	5,599	8,092	9,342	8,138	7,261	6,882	9,814	7,989	5,969	5,632
Public Works										
Tons of debris collected and disposed of	74	160	214	417	850	451	375	279	992[1]	7,015[3]
Lane miles of road surface restored	59	21	399	134	130	101	218	180	90	6
Community Development										
Contacts (counter and telephone)	49,758	51,023	53,045	47,882	62,120	61,961	58,908	87,658	87,602	105,189
Certificates of use	596	585	590	592	574	614	591	693	1,255	1,434
Sign permits issued	259	645	296	272	197	332	214	247	275	251
Parks and Recreation										
Programs held at art studio	390	435	438	250	270	370	364	342	474	316
Sessions held for aquatics	128	127	126	103	98	101	88	85	39	-[3]
Senior centers memberships	707	751	804	787	643	752	501	178	56	27[3]
Transportation program-total miles driven	115,000	85,173	94,519	105,103	107,832	95,254	61,783	81,781	50,141	42,594
Transportation										
Signs made	4,178	5,695	4,527	4,527	4,527	4,527	4,175	5,367	5,277	4,552
Centerline miles of roadway striped annually	493	767	355	355	-	423	119	321	201	67
Water and Sewer										
Finished water pumped to system (millions of gallons)	3,516	3,644	3,679	4,694	4,505	4,238	4,360	4,613	4,715	5,034
Dry tons of bio-solids generated	1,789	1,763	1,970	1,970	1,970	2,416	2,600	2,691	2,845	3,098
Stormwater Utility										
Cubic yards dredged from canals	28,945	45,605	54,635	16,361	17,726	26,512	18,762	8,470	28,677	1,711
Swale requests received	247	346	356	521	514	720	801	1,387	945	701
Swale regraded (Square Feet)	1,541,520	1,326,156	1,121,325	900,370	748,099	835,267	661,454	443,601	424,887	519,881
Building Division										
Total inspections	64,686	83,536	63,071	72,307	85,122	86,156	84,758	122,712	131,670	182,894
Permits issued	19,300	22,019	26,973	27,984	38,937	31,111	39,506	43,133	42,742	83,845
Yacht Basin										
Average annual slip rentals	76	69	85	92	84	87	86	86	103	14[3]
Golf Course										
Rounds played	58,735	57,390	55,808	46,678	55,688	53,728	44,268	59,051	62,229	51,901[3]
Waterpark										
Admissions	113,358	116,293	86,174	87,969	96,220	91,371	45,564	112,702	-[2]	-[2]

Source: City of Cape Coral's Department Directors

[1] Includes Colletions at Bulk Site Pilot Program

[2] Beginning in FY2022 the Waterpark is leased to ProParks.

[3] Increase/Decrease due to Hurricane Ian

Schedule 18

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Fire										
Stations	10	11	11	11	11	11	11	11	12	12
Public Works										
Paved alleys (miles)	12	12	12	11	11	11	11	11	11	11
Sidewalks (miles)	202	209	215	220	226	236	266	280	295	302
Parks and Recreation										
City owned developed parks	34	34	34	34	34	34	34	34	34	37
Number of developed acres	409	409	409	409	409	409	409	409	409	444
City owned undeveloped parks	24	24	24	24	24	24	24	24	24	21
Number of undeveloped acres	1,095	1,098	1,100	1,101	1,101	1,131	1,143	1,150	1,163	1,128
City owned senior centers	2	2	2	2	2	2	2	2	2	1
City owned boat launches, locks, and lifts	22	22	22	22	22	22	22	22	22	28
Transportation										
Paved streets (lane miles)	3,047	3,047	3,047	3,047	3,047	3,042	3,042	3,042	3,041	3,041
Water and Sewer										
Number of water connections	56,522	58,899	61,522	62,692	64,225	67,071	69,748	69,748	72,972	75,280
Number of sewer connections	54,678	56,215	59,904	61,208	62,842	65,272	67,418	67,418	71,769	73,622
Miles of water distribution	856	907	907	907	908	906	908	908	908	908
Stormwater										
Stormwater drainage pipes (miles)	517	519	516	540	540	543	543	544	545	545
Swales (miles)	3,363	3,363	3,363	3,363	3,363	3,363	3,363	3,363	3,363	3,040
Catch basins	22,894	22,940	22,931	23,733	23,733	24,072	24,095	24,107	24,153	24,173
Yacht Basin										
Boat slips[1]	112	112	107	107	107	107	107	107	103	14
Golf Course										
City owned golf courses	1	1	1	1	1	1	1	1	1	1
Waterpark										
City owned waterpark facilities	1	1	1	1	1	1	1	1	1	1

Source: City of Cape Coral's Department Directors.

[1] Year 2016 includes only boat slips that are available for rent. It does not include slips used by law enforcement. Year 2023 decrease due to Hurricane Ian.

IV. SINGLE AUDIT



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

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City of Cape Coral, Florida (the City), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 25, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001, that we consider to be a significant deficiency.

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Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Report on Compliance and Other Matters

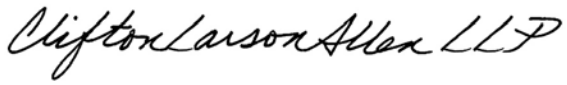
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

City of Cape Coral, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Fort Myers, Florida
March 25, 2024

CliftonLarsonAllen LLP
CLAconnect.com

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

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited the City of Cape Coral, Florida's (the City) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements described in the State of Florida Department of Financial Services' *State Projects Compliance Supplement,* that could have a direct and material effect on each of the City's major federal programs and state projects for the year ended September 30, 2023. The City's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Cape Coral Charter School Authority (Authority) which expended $973,840 in federal awards which is not included in the City's schedule of expenditures of federal awards during the year ended September 30, 2023. Our compliance audit, described in the "Opinion on Each Major Federal Program and State Project," did not include the operations of the Authority because the Authority's financial statements were audited separately.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program and state project for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits (Chapter 10.550). Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and Chapter 10.550 and which is described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal program and state project is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

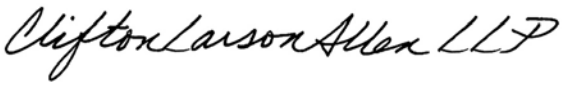
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a significant deficiency.

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

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

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



CliftonLarsonAllen LLP

Fort Myers, Florida
March 25, 2024

City of Cape Coral, Florida
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
For the Period Ended September 30, 2023

Federal Agency/Program Title	Federal ALN Number	Federal or Pass Through Grant Number	Expenditures	Passed through to Subrecipients
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:				
Community Planning and Development:				
CDBG Entitlement Grant Cluster[1]				
Community Development Block Grants/Entitlement Grants	14.218	B22MC120027	$ 240,670	$ 199,581
Community Development Block Grants/Entitlement Grants	14.218	B21MC120027	743,211	691,332
Community Development Block Grants/Entitlement Grants	14.218	B20MC120027	107,002	106,202
Community Development Block Grants/Entitlement Grants	14.218	B19MC120027	4,222	-
COVID-19 Community Development Block Grants/Entitlement Grants	14.218	B20MW120027	148,420	-
Total U.S. Department of Housing and Urban Development			1,243,525	997,115
U.S. DEPARTMENT OF JUSTICE:				
Office of Justice Programs (OJP):				
Edward Byrne Memorial Justice Assistance Grant Program - (JAG) FY22	16.738	15PBJA-22-GG-02584-JAGX	20,847	
Passed-Through State of Florida, Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program - (JAG) FY23	16.738	2020-MU-BX-0006	21,350	
Edward Byrne Memorial Justice Assistance Grant Program - (JAG) FY23	16.738	15PBJA-21-GG-00241-MUMU	105,000	
			147,197	
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-22-GG-03640-COVE	232,111	
STOP School Violence	16.839	2019-YS-BX-0023	10,638	
Equitable Sharing Program	16.922	FL0360200	14,650	
Passed-Through State of Florida, Office of the Attorney General:				
Crime Victim Assistance	16.575	VOCA-2022-CCPD-00396	132,968	
Office of Community Oriented Policing Services				
COPS Hiring Program	16.710	2020ULWX0032	55,075	
Total U.S. Department of Justice			592,640	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:				
Administration for Children and Families:				
Passed-Through State of Florida, Agency for Persons with Disabilities:				
Social Services Block Grant	93.667	1035	255,476	
Total U.S. Department of Health and Human Services			255,476	
U.S. DEPARTMENT OF HOMELAND SECURITY:				
Federal Emergency Management Agency				
Assistance to Firefighters Grant 2021	97.044	EMW-2021-FG-04099	66,158	
Passed-Through State of Florida, Division of Emergency Management:				
Hazard Mitigation Grant Program - (Faith Presbyterian)	97.039	4337-308-R	94,061	
Passed-Through State of Florida, Division of Emergency Management:				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
Hurricane Ian	97.036	4673 Hurricane Ian	24,199,745	
Total U.S. Department of Homeland Security			24,359,964	
U.S. DEPARTMENT OF TRANSPORTATION				
National Highway Traffic Safety Administration:				
Passed-Through State of Florida, Department of Transportation:				
Highway Safety Cluster				
National Priority Safety Programs - FDOT DRE Call Out 2023	20.616	M5X-2023-00061	3,840	
National Priority Safety Programs - FDOT Impaired Driving Enforcement 2023	20.616	M5HVE-2023-00079	64,885	
State and Community Highway Safety - FDOT Speed and Aggressive Driving 2023	20.600	SC-2023-00080	58,876	
State and Community Highway Safety - FDOT Distracted Driving Enforcement & Education 2023	20.600	DD-2023-00173	20,000	
Total U.S. Department of Transportation			147,600	
U.S. DEPARTMENT OF THE TREASURY				
Direct programs				
Departmental Offices				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	20-1892-0-1-806	5,191,953	
Total U.S. Department of the Treasury			5,191,953	
TOTAL EXPENDITURES OF FEDERAL AWARDS			**$ 31,791,158**	**$ 997,115**

The notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

City of Cape Coral, Florida
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (continued)
For the Period Ended September 30, 2023

State Agency/Program Title	CSFA Number	State Contract/ Grant Number	State Expenditures	Passed through to Subrecipients
STATE OF FLORIDA, FLORIDA HOUSING FINANCE CORPORATION:				
State Housing Initiatives Partnership Program (S.H.I.P.)	40.901	N/A	$ 426,378	$ 342,229
State Housing Initiatives Partnership Program (S.H.I.P.) Disaster Recovery - Insurance Deductible Program	40.901	N/A	819,628	-
State Housing Initiatives Partnership Program (S.H.I.P.) Hurricane Housing Recovery Program	40.902	N/A	38,764	-
			1,284,770	342,229
STATE OF FLORIDA, AGENCY FOR PERSONS WITH DISABILITIES:				
Association for the Development of the Exceptional:				
Agency for Health Care Administration				
Transportation Services	67.062	1035	400,057	
STATE OF FLORIDA, DEPARTMENT OF TRANSPORTATION				
Highway Planning and Construction Cluster				
Highway Planning and Construction - Suntrail Non-Motorized Bike Path	55.038	440236-1-54-01	576,915	
STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Water Restoration Assistance				
Reclaimed Water Transmission River Crossing Project	37.039	LP36011	3,274,054	
Reclaimed Water Transmission River Crossing Project	37.039	LPA0097	2,500,000	
Total State of Florida, Department of Environmental Protection			5,774,054	
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			8,035,796	342,229
TOTAL EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			**$ 39,826,954**	**$ 1,339,344**

The notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

[1] Included in the Passed through to Subrecipients for CDBG are amounts related to HUD approved subrecipients that are departments of the City of Cape Coral.

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
September 30, 2023

NOTE 1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) is a supplementary schedule to the City's basic financial statements and is presented for purposes of additional analysis. The Schedule is required by Title 2 of the *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes.

The Schedule includes all federal financial assistance programs and state projects administered by the City of Cape Coral and included in the City's Annual Comprehensive Financial Report. It specifically excludes federal financial assistance programs and state projects received by the discretely presented component unit, the Cape Coral Charter School Authority.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. The City has not elected to use the 10-percent de minimus indirect cost rate as allowed under the Uniform Guidance.

NOTE 3. SUBRECIPIENTS

Of the federal expenditures presented in the Schedule, the City of Cape Coral provided federal awards to subrecipients as follows:

Program Title	Federal ALN Number	Amount Provided to Subrecipients
Community Development Block Grants / Entitlement Grants	14.218	$ 997,115
Total		$ 997,115

Of the state expenditures presented in the Schedule, the City of Cape Coral provided state financial assistance to subrecipients as follows:

Program Title	State CSFA Number	Amount Provided to Subrecipients
State Housing Initiatives Partnership Program (S.H.I.P.)	40.901	$ 342,229
Total		$ 342,229

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
September 30, 2023

NOTE 4. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

Federal financial assistance expenditures are included in the City's basic financial statements as follows:

	Expenditures
General Fund	$ 30,117,288
Special Revenue Funds:	
Community Development Block Grant (CDBG)	1,243,525
Parks and Recreation - Special Populations	255,476
Assistance to Firefighters Grant	66,158
Department of Justice Joint Law Enforcement Operations	14,650
Capital Improvement Funds:	
Fire - Generator Project	94,061
	$ 31,791,158

State financial assistance expenditures are included in the City's basic financial statements as follows:

	Expenditures
Special Revenue Funds:	
Parks and Recreation - Special Populations & Transportation	$ 400,057
Local Housing Assistance Fund - State Housing Initiatives Partnership Program (S.H.I.P.)	1,284,770
Capital Improvement Funds:	
Transportation - Sidewalk Construction	576,915
Reclaimed Water Transmission River Crossing Project	5,774,054
	$ 8,035,796

CITY OF CAPE CORAL, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2023

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified

2. Internal control over financial reporting:

   - Material weakness(es) identified? _____ yes ___X___ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ___X___ yes _____ none reported

3. Noncompliance material to financial statements noted? _____ yes ___X___ no

Federal Awards

1. Internal control over major federal programs:

   - Material weakness(es) identified? _____ yes ___X___ no

   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? ___X___ yes _____ none reported

2. Type of auditors' report issued on compliance for major federal programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ___X___ yes _____ no

Identification of Major Federal Programs

Assistance Listing Number	Name of Federal Program or Cluster
21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish between Type A and Type B programs: $ 953,735

Auditee qualified as low-risk auditee? _____ yes ___X___ no

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance Section

1. Internal control over major state projects:
   - Material weakness(es) identified? _____ yes __X__ no
   - Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ yes __X__ none reported
2. Type of auditors' report issued on compliance for state projects: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with state requirements? _____ yes __X__ no

Identification of Major State Projects

CSFA Number(s)	Name of State Project
40.901	State Housing Initiatives Partnership (SHIP) Program
37.039	Statewide Surface Water Restoration Projects

Dollar threshold used to distinguish between Type A and Type B state projects: $ 750,000

Section II – Financial Statement Findings

2023-001 Permitting System Internal Controls

Type of Finding: Significant Deficiency in Internal Control over Financial Reporting

Criteria or Specific Requirement: The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Internal Control Framework states that control activities are a component of internal control. Control activities are policies and procedures established to ensure that management directives are carried out, and consist of two elements, a policy that establishes what should be done and the procedure that implements the policy. COSO Framework states that control activities must be in place for there to be adequate internal control procedures over financial reporting. Internal control procedures affect the City's ability to ensure financial transactions are authorized and accurate. City management is responsible for establishing and maintaining internal controls for the proper recording of all the City's transactions.

Section II – Financial Statement Findings (Continued)

Condition: In February 2022, the City implemented a new permitting system module for permitting and licensing fee transaction processing. We noted the following related to the permitting and licensing internal controls and processes:

- Workflows and controls were not properly set up to require approvals within the system for adjustments or modifications to permit rates and fees.
- Noted instances of end user controls not properly set up that would prevent an employee from processing transactions without proper authorization and approval within the system.
- The Development Services and Public Works utility permitting departments have policies in place requiring documentation within permit files for any changes to rates or fees including documentation of approval received for adjustments to rates and fees when required. Noted instances of transactions and adjustments lacking documentation of changes made or approval received for adjustments within the permit file as required; however, there were no errors or inappropriate transactions noted.
- Noted the Development Services and Public Works Departments allowed for an informal transition period following system implementation where normal procedures for documentation were lessened or, in some cases, waived to help eliminate backlog and allow for expedited processing of transactions.
- Noted absence of regular review procedures in place for review of transaction history reports and system audit logs for user changes or deletions made to permit rates and fees by department supervisors to detect potential errors or unauthorized changes made.
- An absence of formal documented user policies and procedures for the permitting system. Formal department policies and procedures specific to the system were not put in place prior to the implementation date; however, were subsequently put in place after the system was already in use.

Noted corrective action and internal control procedures were implemented by the City in February 2023 and further control procedures were implemented in June 2023 to correct the deficiencies noted above, however, because the corrective action was implemented during the current fiscal year, a significant deficiency is deemed to exist for internal controls in relation to permit processing prior to the date of corrective action taken.

Effect: A lack of structured and documented internal controls could result in circumvention of the internal control environment and result in errors or unauthorized transactions impacting the City's financial statements.

Cause: The City did not establish and document structured processes and procedures prior to the system implementation or within a timely period following the implementation. End user controls were not properly set up within the system at the time of implementation through the date of corrective actions taken in February and June 2023.

Repeat Finding: The finding is a repeat of a finding in the prior year. The prior year finding number was 2022-001.

Recommendation: We noted the City implemented corrective actions in response to the prior year finding noted for material weakness in internal control in February and June 2023. We recommend that the City continue to monitor and evaluate policies and procedures over internal controls related to the permitting system and continue tailoring end user controls, system roles and workflows to ensure transactions are properly authorized and documented.

Section II – Financial Statement Findings (Continued)

Views of responsible officials and planned corrective actions: Management disagrees with the above finding and recommendation. Prior year's finding was issued on April 26, 2023; however, management began implementing the Auditor's recommendation even before this date, demonstrating that management took action as soon as the condition was observed by the Auditors and brought to our attention. Furthermore, the corrective action plan put in place as a result of prior year's finding was properly implemented during the fiscal year and was well in place as of the reporting date of the financial statements under audit; thereby, making the recommendation to continue monitoring such action plan after this date irrelevant.

Section III – Findings and Questioned Costs – Major Federal Programs

2023-002 Reporting

Federal Agency: U.S Department of Treasury

Federal Program Name: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number and Year: SLFRP1761 2021

Award Period: March 3, 2021, through December 31, 2024

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matter

Criteria or Specific Requirement: 2 CFR Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award* requires compliance with the provisions of monitoring and reporting program performance. Metropolitan cities and counties with a population below 250,000 residents that are allocated more than $10 million in SLFRF funding are required to submit quarterly Project and Expenditure Reports that cover one calendar quarter and must be submitted to Treasury by the last day of the month following the end of the period covered.

Condition: Quarterly Projects and Expenditure Reports were not submitted timely, within 30 days of period end to the U.S. Department of Treasury, as required.

Questioned Costs: None

Context: During our testing, we reviewed all four Quarterly Project and Expenditure for the period. We noted that two Quarterly Project and Expenditure Reports reviewed were not submitted within 30 days of period end, as required.

Cause: Policies and procedures were not established to ensure the timely filing of reports.

Effect: The City was not in compliance with the reporting requirements as specified in the grant agreement.

Repeat Finding: No

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Recommendation: We recommend that the City design processes and procedures to ensure that all reports are submitted timely as required by grant agreements. We recommend the City develop an internal compliance checklist that includes required reports and due dates to be maintained for tracking and record keeping purposes to assist in monitoring compliance.

Views of responsible officials: Management agrees with the above finding and recommendation. However, as a checklist is already in place, the City will evaluate and work with the Department of Treasury for ways to overcome the technical issues encountered, and acknowledged by the Department, that restricts the filing of reports in a timely manner and will continue to closely monitor the quarterly filings with the Department.

Section IV – Findings and Questioned Costs – Major State Projects

Our audit did not disclose any matters required to be reported in accordance with Rule 10.554(1)(l)4, Rules of the Florida Auditor General.

CITY OF CAPE CORAL, FLORIDA
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2023

The City of Cape Coral, Florida (the City) respectfully submits the following summary schedule of prior audit findings for the year ended September 30,2023.

Audit period: October 1, 2022 – September 30, 2023

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2022 – 001 EnerGov System Implementation

Condition: In February 2022, the City implemented a new EnerGov module for permitting and licensing fee transaction processing. We noted the following related to the permitting and licensing internal controls and processes:

- Workflows and controls were not properly set up to require approvals within the system for adjustments or modifications to permit rates and fees.

- Noted instances of end user controls not properly set up that would prevent an employee from processing transactions without proper authorization and approval within the system.

- The Development Services and Public Works utility permitting departments have policies in place requiring documentation within permit files for any changes to rates or fees including documentation of approval received for adjustments to rates and fees when required. Noted instances of transactions and adjustments lacking documentation of changes made or approval received for adjustments within the permit file as required; however, there were no errors or inappropriate transactions noted.

- Noted the Development Services and Public Works Departments allowed for an informal transition period following system implementation where normal procedures for documentation were lessened or, in some cases, waived to help eliminate backlog and allow for expedited processing of transactions.

- Noted absence of regular review procedures in place for review of transaction history reports and system audit logs for user changes or deletions made to permit rates and fees by department supervisors to detect potential errors or unauthorized changes made.

- An absence of formal documented user policies and procedures for the EnerGov system. Formal department policies and procedures specific to the system were not put in place prior to the implementation date; however, were subsequently put in place after the system was already in use.

Status: See current year finding 2023-001.

Reason for finding's recurrence: Management does not agree with this finding as corrective action was implemented and in place by the anticipated completion date and is evaluated on an ongoing basis.

Corrective Action: Corrective action was in place prior to the end of fiscal year 2023 and will remain in place.

2022 – 002 Financial Reporting – Schedule of Expenditures of Federal Awards and State Financial Assistance

Condition: The City's prior years' financial statements and schedule of expenditures of federal awards and state financial assistance did not properly account for the Florida Department of Environmental Protection Statewide Surface Water and Wastewater Projects (CSFA 37.039) grant program in the amount of $2,210,000 for grant contracts NS021, NS031, NS032, which were incurred during periods from March 2018 to June 2021. The City reported the related revenues in the 2022 financial statements and the related expenditures in the 2022 schedule of expenditures of federal awards and state financial assistance.

Status: Corrected

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2022 – 003 Reporting

Condition: CDBG and CDBG-CV Cash on Hand Quarterly Reports were not submitted timely, within 30 days of period end to the U.S. Department of Housing and Urban Development, as required.

Status: Corrected

2022 – 004 Allowable Costs, Activities and Period of Performance

Condition: Expenditures incurred prior to the grant contract's period of performance per the contract agreement were improperly charged to the grant prior to the contract's stated start date of October 1, 2021.

Status: Corrected


Cape Coral
FLORIDA

V. MANAGEMENT LETTER



CliftonLarsonAllen LLP
CLAconnect.com

MANAGEMENT LETTER

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Cape Coral, Florida (the City), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 25, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 25, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. A tabulation of uncorrected audit findings made in the preceding annual financial audit report are listed in Appendix A.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The City discloses this information in the notes to the financial statements.

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Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information (For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district):

The specific information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, related to the Cape Coral Community Redevelopment Agency is included in the Cape Coral Community Redevelopment Agency's management letter that is issued separately.

Additional Matters

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

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen

Fort Myers, Florida
March 25, 2024

City of Cape Coral, Florida
Management Letter
Appendix A
September 30,2023

Tabulation of Uncorrected Audit Findings		
Current Year	**2021-2022**	**2020-2021**
2023-001 Permitting System Internal Controls	**2022-001** EnerGov System Implementation	N/A

VI. INDEPENDENT ACCOUNTANTS' REPORT



CliftonLarsonAllen LLP
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INDEPENDENT ACCOUNTANTS' REPORT

Honorable Mayor and
Members of the City Council
City of Cape Coral, Florida

We have examined City of Cape Coral, Florida's (the City) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the City complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Fort Myers, Florida
March 25, 2024

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Cape Coral
FLORIDA

CITY OF CAPE CORAL

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Mark C. Mason, CPA, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of the City of Cape Coral which is a local governmental entity of the State of Florida;

2. The City of Cape Coral adopted:
   a. Ordinance No. 124-02 implementing the Recreational Impact Fee
   b. Ordinance No. 77-06 implementing the Road Impact Fee
   c. Ordinance No. 47-06 implementing the Public Safety Impact Fee
   d. Ordinance No. 35-16 implementing the Water Impact Fee
   e. Ordinance No. 20-20 implementing the Sewer and Irrigation Impact Fees.

3. The City of Cape Coral has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Mark C. Mason, CPA, Director of Financial Services

STATE OF FLORIDA
COUNTY OF Lee

SWORN TO AND SUBSCRIBED before me this 2nd day of May, 2024.

Notary Public State of Florida
Suzanne Lopez
My Commission
HH 161487
Exp.10/12/2025

NOTARY PUBLIC
Print Name Suzanne Lopez

Personally known X or produced identification _____

Type of identification produced: —

My Commission Expires: 10/12/2025

Cape Coral
FLORIDA

