CITY OF CLEWISTON, FLORIDA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

MAULDIN & JENKINS

CPAs & ADVISORS

CITY OF CLEWISTON, FLORIDA

ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

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MAULDIN & JENKINS
CPAs & ADVISORS

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of
the City Commission,
City of Clewiston, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the **City of Clewiston, 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, 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 9 and the required supplementary information as listed in the table of contents on pages 54 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 other supplementary information, (combining statement of fiduciary net position, combining statement of changes in fiduciary net position, schedule of revenues, and expenses water and sewer fund, the schedule to determine compliance with interlocal fire protection agreement, and the schedule to determine compliance with interlocal animal control agreement) are not a required part of the basic financial statements. The accompanying 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* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General, are presented for purposes of additional analysis and are also not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 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.

Mauldin & Jenkins, LLC

Bradenton, Florida
June 27, 2024

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CITY OF CLEWISTON, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2023

Management's discussion and analysis presents a narrative overview and analysis of the City of Clewiston's (the "City") financial performance for the fiscal year ended September 30, 2023. It is designed to provide a broad overview and a short- and long-term analysis of the City's activities based on information presented in the financial statements. Specifically, this information is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activities, identify changes in the City's financial position (its ability to address the next and subsequent years' challenges), clarify material deviations from the approved budget, and explain individual fund issues. We encourage readers to consider the information presented here in conjunction with the City's basic financial statements (beginning on page 10) and notes to the financial statements (pages 22 through 53).

HIGHLIGHTS

Financial Highlights for the Fiscal Year Ended September 30, 2023 and Subsequent Financial Information are shown below:

1. The City's overall net position increased by $8,799,086.
2. The total cost of all the City's programs was $28,526,562 which was $1,946,035 more than the prior year.
3. The City's governmental activities increased net position by $4,948,222, substantially as a result of transfers from business-type activities of $1,637,484.
4. During the year, the City had expenses of $9,879,229 for governmental activities, which was $1,875,098 more than the prior year.
5. The City's business-type activities increased net position by $3,850,864 as a result of program and general revenues in excess of expenses of $5,488,348 minus internal transfers-out of $1,637,484.
6. The State Aid to Libraries Grant funding received in fiscal year 2023 totaled $156,363.

Overview of the Financial Statements

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

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

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues *(governmental activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges *(business-type activities).* The governmental activities of the City include general government, public safety, highways and streets, developmental services, and culture and recreation. The business-type activities of the City include electric, water and sewer, and solid waste operations.

The government-wide financial statements can be found on pages 10 and 11 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: (1) governmental funds, and (2) proprietary funds.

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

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

The City maintains three individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and Community Redevelopment, which are considered to be major funds. Data from the other governmental fund is combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for the General Fund, Community Redevelopment and Grants Fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 12 through 15 of this report.

Proprietary funds*.* The City of Clewiston, Florida maintains proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its electric, water and sewer, and solid waste.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric, water and sewer, and solid waste operations, which are considered to be major funds.

The basic proprietary fund financial statements can be found on pages 16 through 19 of this report.

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 22 through 53 of this report.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The City's assets (and deferred outflows of resources) exceeded liabilities (and deferred inflows of resources) by $52.7 million (net position) at September 30, 2023.

$32.8 million (62%) of the City's net position reflects its investment in capital assets (e.g. land, construction in progress, buildings, vehicles, and machinery and equipment) less related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City reports investment in its capital assets 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 following schedule provides a summary of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the City:

City of Clewiston, Florida's Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 8,089,024	$ 7,176,355	$ 22,710,348	$ 21,763,430	$ 30,799,372	$ 28,939,785
Capital assets	14,428,595	10,246,903	33,435,535	31,149,971	47,864,130	41,396,874
Total assets	22,517,619	17,423,258	56,145,883	52,913,401	78,663,502	70,336,659
Total deferred outflows of resources	1,069,996	1,765,593	258,217	759,219	1,328,213	2,524,812
Other liabilities	1,599,961	1,912,886	5,211,366	6,251,523	6,811,327	8,164,409
Long-term liabilities	3,964,718	4,023,514	15,754,817	15,804,351	19,719,535	19,827,865
Total liabilities	5,564,679	5,936,400	20,966,183	22,055,874	26,530,862	27,992,274
Total deferred inflows of resources	577,373	755,110	166,288	195,981	743,661	951,091
Net position:						
Net investment in capital assets	14,355,154	10,112,214	18,429,884	16,648,580	32,785,038	26,760,794
Restricted	716,375	338,230	3,860,161	3,744,058	4,576,536	4,082,288
Unrestricted	2,374,034	2,046,897	12,981,584	11,028,127	15,355,618	13,075,024
Total net position	$ 17,445,563	$ 12,497,341	$ 35,271,629	$ 31,420,765	$ 52,717,192	$ 43,918,106

A portion of the City's net position, $4.6 million (8.7%), represents resources that are subject to restrictions on how they may be used. The unrestricted portion of net position, $15.4 million, may be used to meet the City's ongoing obligations to citizens and creditors.

The City's overall financial condition improved during the year ended September 30, 2023. The overall increase in the City's net position was $8.8 million (20.1%) during the year.

City of Clewiston, Florida's Changes in Net Position

Statement of Activities
As of September 30, 2023

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program revenues:						
Charges for services	$ 2,118,310	$ 1,908,439	$ 21,423,288	$ 19,208,975	$ 23,541,598	$ 21,117,414
Operating grants and contributions	1,429,824	671,564	-	-	1,429,824	671,564
Capital grants and contributions	3,653,514	1,260,574	2,385,019	3,302,679	6,038,533	4,563,253
General revenues:						
Property taxes	1,983,949	1,813,810	-	-	1,983,949	1,813,810
Other taxes	3,640,648	3,414,343	-	-	3,640,648	3,414,343
Other	363,722	476,637	327,374	133,761	691,096	610,398
Total revenues	13,189,967	9,545,367	24,135,681	22,645,415	37,325,648	32,190,782
Operating expenses:						
General government	2,137,535	1,450,648	-	-	2,137,535	1,450,648
Public safety	4,136,165	2,944,614	-	-	4,136,165	2,944,614
Transportation	740,426	736,285	-	-	740,426	736,285
Physical environment	243,239	328,693	-	-	243,239	328,693
Economic environment	30,884	35,804	-	-	30,884	35,804
Culture and recreation	2,351,742	2,294,918	-	-	2,351,742	2,294,918
Human services	238,779	208,936	-	-	238,779	208,936
Interest on long-term debt	459	4,233	-	-	459	4,233
Electric	-	-	12,317,448	12,947,840	12,317,448	12,947,840
Water and sewer	-	-	4,559,200	4,162,300	4,559,200	4,162,300
Solid waste	-	-	1,770,685	1,466,256	1,770,685	1,466,256
Total operating expenses	9,879,229	8,004,131	18,647,333	18,576,396	28,526,562	26,580,527
Increase in net position before transfers	3,310,738	1,541,236	5,488,348	4,069,019	8,799,086	5,610,255
Transfers	1,637,484	1,032,912	(1,637,484)	(1,032,912)	-	-
Change in net position	4,948,222	2,574,148	3,850,864	3,036,107	8,799,086	5,610,255
Net position, beginning	12,497,341	9,923,193	31,420,765	28,384,658	43,918,106	38,307,851
Net position, ending	$ 17,445,563	$ 12,497,341	$ 35,271,629	$ 31,420,765	$ 52,717,192	$ 43,918,106

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2023 is $47.9 million (net of accumulated depreciation and amortization). This investment in capital assets includes land, construction in progress, buildings, wastewater and drainage systems improvements, vehicles, machinery and equipment, park facilities, roads and highways, and software. There was a net increase of the City's investment in capital assets for the year ended September 30, 2023 of $6,467,256 due mostly to construction projects in progress during the year.

City of Clewiston, Florida's Capital Assets
(net of depreciation)

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Land	$ 1,836,719	$ 1,836,719	$ 670,142	$ 670,142	$ 2,506,861	$ 2,506,861
Construction in progress	5,007,810	2,385,912	3,118,467	3,022,916	8,126,277	5,408,828
Buildings	2,048,459	2,138,222	61,037	71,766	2,109,496	2,209,988
Improvemenets	3,621,361	2,125,441	25,445,736	23,969,971	29,067,097	26,095,412
Machinery and equipment	1,914,246	1,760,609	4,140,153	3,415,176	6,054,399	5,175,785
Total capital assets	$ 14,428,595	$ 10,246,903	$ 33,435,535	$ 31,149,971	$ 47,864,130	$ 41,396,874

Additional information on the City's capital assets can be found in Note 6 of this report.

Long-Term Debt

City of Clewiston, Florida's Long-Term Liabilities Outstanding

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
Notes payable	$ 73,441	$ 134,689	$ 3,779,651	$ 2,985,392	$ 3,853,092	$ 3,120,081
Bonds payable	-	-	11,226,000	11,516,000	11,226,000	11,516,000
Net pension liability	3,051,254	3,075,257	-	-	3,051,254	3,075,257
Total OPEB liability	654,193	636,249	332,837	323,708	987,030	959,957
Compensated absences	185,830	177,319	89,133	90,848	274,963	268,167
Total debt	$ 3,964,718	$ 4,023,514	$ 15,427,621	$ 14,915,948	$ 19,392,339	$ 18,939,462

Additional information on the City's long-term debt can be found in Note 7 of this report.

Economic Factors and Next Year's Budget and Rates

The City Commission considered many factors while determining the fiscal year 2024 budget, setting the new millage rate, and analyzing the fees which will be charged by the business-type activities.

Evaluating the fees charged by the business-type activities has continued to be a primary element of the City's fiscal planning. This focus has been necessary as the City manages the fluctuating increase of costs along with supply shortages and delays for materials vital to maintaining operations, while remaining committed to addressing the aging government-wide infrastructure for which these essential activities depend.

The City's unemployment rate in April 2024 increased from the previous year from 3.4% to 4.3% on an annual basis.

Clewiston's local economy consists largely of agribusiness, retail, and service industries. Some of the largest business entities in the Clewiston area include sugar and vegetable growers, general merchandise, and grocery retail establishments.

The City's estimated population as of June 1, 2024 is 7,063 compared to the last official census population of 7,333 recorded for 2020.

Requests for Information

This discussion and analysis is designed to provide a general overview of the City's finances for readers of the City's financial statements. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the City of Clewiston Finance Department, 115 West Ventura Avenue, Clewiston, Florida 33440. Additional information can be found on the City's website at http://www.clewiston-fl.gov.

BASIC FINANCIAL STATEMENTS

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CITY OF CLEWISTON, FLORIDA

STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and cash equivalents	$ 6,350,546	$ 9,652,103	$ 16,002,649
Accounts receivables, net	530,144	3,562,645	4,092,789
Due from other governments	2,176,537	1,506,698	3,683,235
Internal balances	(1,160,149)	1,160,149	-
Prepaid items	4,964	1,440	6,404
Inventory	186,982	994,387	1,181,369
Restricted asset, cash and cash equivalents	-	3,266,947	3,266,947
Restricted investments	-	2,140,772	2,140,772
Restricted accounts receivable	-	425,207	425,207
Capital assets			
Non-depreciable	6,844,529	3,788,609	10,633,138
Depreciable, net	7,584,066	29,646,926	37,230,992
Total assets	22,517,619	56,145,883	78,663,502
Deferred outflows of resources			
Deferred outflows - pension	1,038,591	242,239	1,280,830
Deferred outflows - OPEB	31,405	15,978	47,383
Total deferred outflows of resources	1,069,996	258,217	1,328,213
Liabilities			
Accounts payable	1,052,021	1,857,081	2,909,102
Accrued liabilities	191,394	49,744	241,138
Due to other governments	779	-	779
Accrued interest payable	-	77,274	77,274
Customer deposits payable	33,465	974,384	1,007,849
Unearned revenue	322,302	2,252,883	2,575,185
Noncurrent liabilities			
Due within one year	86,114	589,963	676,077
Due in more than one year	3,878,604	15,164,854	19,043,458
Total liabilities	5,564,679	20,966,183	26,530,862
Deferred inflows of resources			
Deferred inflows - pension	250,535	-	250,535
Deferred inflows - OPEB	326,838	166,288	493,126
Total deferred inflows of resources	577,373	166,288	743,661
Net position			
Net investment in capital assets	14,355,154	18,429,884	32,785,038
Restricted for			
Capital improvements	-	3,284,017	3,284,017
Community development	716,375	-	716,375
Debt service	-	576,144	576,144
Unrestricted	2,374,034	12,981,584	15,355,618
Total net position	$ 17,445,563	$ 35,271,629	$ 52,717,192

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

CITY OF CLEWISTON, FLORIDA

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	Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Primary Government: Total
Primary government:							
Governmental activities:							
General government	$ 2,137,535	$ 1,617,446	$ -	$ -	$ (520,089)	$ -	$ (520,089)
Public safety	4,136,165	500,864	783,630	100,852	(2,750,819)	-	(2,750,819)
Transportation	740,426	-	-	3,552,662	2,812,236	-	2,812,236
Physical environment	243,239	-	-	-	(243,239)	-	(243,239)
Economic environment	30,884	-	-	-	(30,884)	-	(30,884)
Culture and recreation	2,351,742	-	501,559	-	(1,850,183)	-	(1,850,183)
Human services	238,779	-	144,635	-	(94,144)	-	(94,144)
Interest on long-term debt	459	-	-	-	(459)	-	(459)
Total governmental activities	9,879,229	2,118,310	1,429,824	3,653,514	(2,677,581)	-	(2,677,581)
Business-type activities:							
Electric	12,317,448	14,944,160	-	-	-	2,626,712	2,626,712
Water and sewer	4,559,200	4,435,076	-	2,385,019	-	2,260,895	2,260,895
Solid waste	1,770,685	2,044,052	-	-	-	273,367	273,367
Total business-type activities	18,647,333	21,423,288	-	2,385,019	-	5,160,974	5,160,974
Total primary government	$ 28,526,562	$ 23,541,598	$ 1,429,824	$ 6,038,533	(2,677,581)	5,160,974	2,483,393
General revenues							
Property taxes					1,983,949	-	1,983,949
Gas taxes					451,290	-	451,290
Sales taxes					1,466,696	-	1,466,696
Communication services					210,902	-	210,902
Utility service taxes					596,756	-	596,756
Insurance premium tax					41,580	-	41,580
Franchise taxes					47,600	-	47,600
Tax increments for redevelopment districts					373,717	-	373,717
Other taxes					40,281	-	40,281
Unrestricted state revenue sharing					411,826	-	411,826
Investment earnings					97,256	320,534	417,790
Miscellaneous					266,466	-	266,466
Gain on sale of capital asset					-	6,840	6,840
Transfers					1,637,484	(1,637,484)	-
Total general revenues and transfers					7,625,803	(1,310,110)	6,315,693
Change in net position					4,948,222	3,850,864	8,799,086
Net position, beginning of year					12,497,341	31,420,765	43,918,106
Net position, end of year					$ 17,445,563	$ 35,271,629	$ 52,717,192

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

CITY OF CLEWISTON, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Clewiston Redevelopment Agency	Nonmajor Grants Fund	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 5,477,203	$ 716,375	$ 156,968	$ 6,350,546
Accounts receivable, net	530,144	-	-	530,144
Due from other funds	18,462	-	8	18,470
Due from other governments	2,176,537	-	-	2,176,537
Inventory	186,982	-	-	186,982
Prepaid items	4,964	-	-	4,964
Total assets	$ 8,394,292	$ 716,375	$ 156,976	$ 9,267,643
Liabilities and fund balances (deficit)				
Liabilities				
Accounts payable	$ 1,045,908	$ -	$ 6,113	$ 1,052,021
Accrued liabilities	190,816	-	425	191,241
Due to other governments	779	-	-	779
Customer deposits	33,465	-	-	33,465
Unearned revenue	171,344	-	150,958	322,302
Due to other funds	1,176,371	-	-	1,176,371
Advances from other funds	2,248	-	-	2,248
Total liabilities	2,620,931	-	157,496	2,778,427
Deferred inflows of resources				
Unavailable revenue - intergovernmental	1,891,962	-	-	1,891,962
Fund balances (deficit)				
Nonspendable	416,868	-	-	416,868
Restricted				
Community redevelopment	-	716,375	-	716,375
Unassigned	3,464,531	-	(520)	3,464,011
Total fund balances (deficit)	3,881,399	716,375	(520)	4,597,254
Total liabilities and fund balances (deficit)	$ 8,394,292	$ 716,375	$ 156,976	$ 9,267,643

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

CITY OF CLEWISTON, FLORIDA

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

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

Total fund balances - governmental funds		$ 4,597,254
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Governmental capital assets	$ 34,363,878	
Accumulated depreciation	(19,935,283)	14,428,595
Revenues not available to pay current period expenditures are reported as unavailable revenue in the governmental funds.		1,891,962
Deferred outflows, deferred inflows, and the net pension asset and liability related to the City's pension and OPEB plans are not expected to be liquidated with expendable available financial resources and, therefore are not reported in the funds.		
Deferred outflows - pension	1,038,591	
Deferred outflows - OPEB	31,405	
Deferred inflows - pension	(250,535)	
Deferred inflows - OPEB	(326,838)	
Net pension liability	(3,051,254)	
Total OPEB liability	(654,193)	(3,212,824)
Certain liabilities are not due and payable in the current period and are therefore not reported in the funds.		
Accrued interest payable	(153)	
Compensated absences	(185,830)	
Notes payable	(73,441)	(259,424)
Net position of governmental activities		$ 17,445,563

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

CITY OF CLEWISTON, FLORIDA

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Clewiston Redevelopment Agency	Nonmajor Grants Fund	Total Governmental Funds
Revenues				
Property taxes	$ 1,983,949	$ 179,064	$ -	$ 2,163,013
Utility taxes	596,756	-	-	596,756
Business taxes	40,281	-	-	40,281
Communication services tax	210,902	-	-	210,902
Insurance premium tax	41,580	-	-	41,580
Licenses and permits	88,749	-	-	88,749
Intergovernmental revenues	6,938,464	194,653	149,533	7,282,650
Charges for services	1,508,695	-	-	1,508,695
Franchise fees	47,600	-	-	47,600
Fines and forfeitures	42,794	-	-	42,794
Investment earnings	85,650	10,873	733	97,256
Miscellaneous revenues	266,466	-	-	266,466
Total revenues	11,851,886	384,590	150,266	12,386,742
Expenditures				
Current				
General government	1,943,709	-	-	1,943,709
Public safety	3,397,598	-	-	3,397,598
Transportation	571,622	-	-	571,622
Physical environment	243,337	-	-	243,337
Economic environment	883	6,445	-	7,328
Culture and recreation	2,041,802	-	141,098	2,182,900
Human services	229,462	-	-	229,462
Debt service				
Principal retirement	61,248	-	-	61,248
Interest	2,691	-	-	2,691
Capital outlay	4,955,026	-	9,168	4,964,194
Total expenditures	13,447,378	6,445	150,266	13,604,089
Excess of revenues (deficiency) over (under) expenditures	(1,595,492)	378,145	-	(1,217,347)
Other financing sources				
Transfers in	1,637,484	-	-	1,637,484
Total other financing sources	1,637,484	-	-	1,637,484
Change in fund balances	41,992	378,145	-	420,137
Fund balances (deficit), beginning of year	3,839,407	338,230	(520)	4,177,117
Fund balances (deficit), end of year	$ 3,881,399	$ 716,375	$ (520)	$ 4,597,254

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

CITY OF CLEWISTON, FLORIDA

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		$ 420,137
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is depreciated over their estimated useful lives.		
Capital outlay	$ 4,781,516	
Less current year depreciation	(599,824)	4,181,692
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal consumes the current finacial resources of governmental funds. Neither transaction, however, has any effect on net position.		
Principal repayment of long-term debt		61,248
Revenues that are reported in the statement of activities that do not create current financial resources are not reported as revenues in governmental funds. This activity consists of:		
Intergovernmental revenue		803,225
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 compensated absences	(8,511)	
Change in total OPEB liability	29,950	
Change in net pension liability	(541,751)	(518,080)
Change in net position of governmental activities		$ 4,948,222

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

CITY OF CLEWISTON, FLORIDA

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
Assets				
Current assets				
Cash and cash equivalents	$ 7,645,376	$ 1,407,883	$ 598,844	$ 9,652,103
Accounts receivable, net	1,766,379	1,197,763	598,503	3,562,645
Due from other governments	-	1,506,698	-	1,506,698
Due from other funds	1,176,371	16,500	20,669	1,213,540
Advances to other funds	-	2,248	-	2,248
Prepaids	-	1,440	-	1,440
Inventory	655,366	339,021	-	994,387
Restricted cash and cash equivalents	1,547,558	1,719,389	-	3,266,947
Restricted investments	-	2,140,772	-	2,140,772
Restricted accounts receivable	425,207	-	-	425,207
Total current assets	13,216,257	8,331,714	1,218,016	22,765,987
Noncurrent assets				
Capital assets, non-depreciable	534,258	3,254,351	-	3,788,609
Capital assets, net	3,854,846	24,616,365	1,175,715	29,646,926
Total noncurrent assets	4,389,104	27,870,716	1,175,715	33,435,535
Total assets	17,605,361	36,202,430	2,393,731	56,201,522
Deferred outflows of resources				
Deferred outflows - pension	148,035	60,560	33,644	242,239
Deferred outflows - OPEB	6,610	6,600	2,768	15,978
Total deferred outflows of resources	154,645	67,160	36,412	258,217
Liabilities				
Current liabilities				
Accounts payable	1,083,064	670,557	103,460	1,857,081
Notes payable	81,449	109,630	82,217	273,296
Accrued liabilities	24,607	17,427	7,710	49,744
Due to other funds	37,177	6,088	12,374	55,639
Unearned revenue	-	2,252,883	-	2,252,883
Compensated absences	8,905	5,962	800	15,667
Liabilities payable from restricted assets				
Accrued interest	10,890	40,760	25,624	77,274
Customer deposits payable	974,384	-	-	974,384
Bonds payable - current portion	-	301,000	-	301,000
Total current liabilities	2,220,476	3,404,307	232,185	5,856,968
Noncurrent liabilities				
Compensated absences	31,210	32,407	9,849	73,466
Notes payable, net of current portion	1,149,103	1,456,469	900,783	3,506,355
Revenue bonds payable, net of current portion	-	10,925,000	-	10,925,000
Net pension liability	199,953	81,799	45,444	327,196
Total OPEB liability	137,692	137,493	57,652	332,837
Total non-current liabilities	1,517,958	12,633,168	1,013,728	15,164,854
Total liabilities	3,738,434	16,037,475	1,245,913	21,021,822
Deferred inflows of resources				
Deferred inflows - OPEB	68,791	68,693	28,804	166,288
Total deferred inflows of resources	68,791	68,693	28,804	166,288
Net position				
Net investment in capital assets	3,158,552	15,078,617	192,715	18,429,884
Restricted for				
Debt service	-	576,144	-	576,144
Capital improvements	-	3,284,017	-	3,284,017
FMPA	425,207	-	-	425,207
Unrestricted	10,369,022	1,224,644	962,711	12,556,377
Total net position	$ 13,952,781	$ 20,163,422	$ 1,155,426	$ 35,271,629

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
Operating revenues				
Charges for services	$ 14,824,883	$ 4,383,343	$ 2,044,052	$ 21,252,278
Impact fees	-	51,733	-	51,733
Miscellaneous	119,277	-	-	119,277
Total operating revenues	14,944,160	4,435,076	2,044,052	21,423,288
Operating expenses				
Purchased electricity	9,593,810	-	-	9,593,810
Personnel services and benefits	982,674	839,322	335,348	2,157,344
Operating expenses	1,301,957	2,393,735	1,269,060	4,964,752
Depreciation	416,871	843,047	140,653	1,400,571
Total operating expenses	12,295,312	4,076,104	1,745,061	18,116,477
Operating income	2,648,848	358,972	298,991	3,306,811
Nonoperating revenues (expenses)				
Investment earnings	109,194	211,093	247	320,534
Gain on disposal of capital assets	4,140	2,700	-	6,840
Interest expense	(22,136)	(483,096)	(25,624)	(530,856)
Total nonoperating revenues (expenses)	91,198	(269,303)	(25,377)	(203,482)
Income before transfers and capital contributions	2,740,046	89,669	273,614	3,103,329
Capital contributions	-	2,385,019	-	2,385,019
Transfers out	(1,135,704)	(345,732)	(156,048)	(1,637,484)
Changes in net position	1,604,342	2,128,956	117,566	3,850,864
Total net position, beginning of year	12,348,439	18,034,466	1,037,860	31,420,765
Total net position, end of year	$ 13,952,781	$ 20,163,422	$ 1,155,426	$ 35,271,629

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
Cash flows from operating activities				
Cash received from customers	$ 15,501,637	$ 4,482,415	$ 1,774,959	$ 21,759,011
Cash paid to suppliers for goods and services	(11,338,750)	(2,338,776)	(1,217,715)	(14,895,241)
Cash paid to employees for services and benefits	(988,931)	(860,425)	(343,637)	(2,192,993)
Net cash provided by operating activities	3,173,956	1,283,214	213,607	4,670,777
Cash flows from noncapital financing activities				
Payment to other funds	(1,135,704)	(520,505)	(156,048)	(1,812,257)
Net cash used in noncapital financing activities	(1,135,704)	(520,505)	(156,048)	(1,812,257)
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(264,747)	(2,396,579)	(1,024,809)	(3,686,135)
Cash received from sale of capital assets	4,140	2,700	-	6,840
Issuance of notes payable	-	-	983,000	983,000
Principal paid on notes payable	(80,026)	(108,714)	-	(188,740)
Principal paid on bonds payable	-	(290,000)	-	(290,000)
Capital grants received	-	226,746	-	226,746
Interest paid	(22,845)	(484,542)	-	(507,387)
Net cash used in capital and related financing activities	(363,478)	(3,050,389)	(41,809)	(3,455,676)
Cash flows from investing activities				
Cash paid for purchase of investments	-	(100,315)	-	(100,315)
Interest received	109,194	211,093	247	320,534
Net cash provided by investing activities	109,194	110,778	247	220,219
Net change in cash and cash equivalents	1,783,968	(2,176,902)	15,997	(376,937)
Cash and cash equivalents, beginning of year	7,408,966	5,304,174	582,847	13,295,987
Cash and cash equivalents, end of year	$ 9,192,934	$ 3,127,272	$ 598,844	$ 12,919,050
Cash and cash equivalents classified as				
Cash and cash equivalents	$ 7,645,376	$ 1,407,883	$ 598,844	$ 9,652,103
Restricted cash and cash equivalents	1,547,558	1,719,389	-	3,266,947
Total cash and cash equivalents	$ 9,192,934	$ 3,127,272	$ 598,844	$ 12,919,050

The notes to the financial statements are an integral part of these statements. **(Continued)**

CITY OF CLEWISTON, FLORIDA

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
Reconciliation of operating income to net cash provided by operating activities				
Operating income	$ 2,648,848	$ 358,972	$ 298,991	$ 3,306,811
Adjustment to reconcile operating income to net cash provided by operating activities:				
Depreciation	416,871	843,047	140,653	1,400,571
Change in operating assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	456,988	63,839	(249,784)	271,043
Notes receivable	74,642	-	-	74,642
Due from other funds	35,809	(16,500)	(19,309)	-
Prepaids	-	(1,440)	-	(1,440)
Deferred outflows - pension	302,914	123,919	68,844	495,677
Deferred outflows - OPEB	2,203	2,200	922	5,325
Inventory	(14,672)	(71,273)	-	(85,945)
Increase (decrease) in liabilities:				
Accounts payable	(409,514)	127,672	38,971	(242,871)
Accrued liabilities	(8,255)	(629)	1,114	(7,770)
Due to other funds	-	-	12,374	12,374
Compensated absences payable	(6,257)	2,204	2,338	(1,715)
Net pension liability	(342,961)	(140,302)	(77,945)	(561,208)
Total OPEB liability	3,777	3,771	1,581	9,129
Deferred inflows - OPEB	(12,284)	(12,266)	(5,143)	(29,693)
Customer deposits	25,847	-	-	25,847
Net cash provided by operating activities	$ 3,173,956	$ 1,283,214	$ 213,607	$ 4,670,777

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Pension Trust Funds
Assets	
Receivables	
Contributions	$ 277,933
Investments at fair value	13,030,344
Total assets	13,308,277
Net position	
Restricted for pension benefits	$ 13,308,277

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Funds
Additions	
Contributions	
Employer	$ 236,353
Employee	19,994
State	41,580
Investment income	
Interest and dividends	1,924,215
Total additions	2,222,142
Deductions	
Pension benefits	651,146
Administrative expenses	19,875
Total deductions	671,021
Change in net position	1,551,121
Net position, beginning of year	11,757,156
Net position, end of year	$ 13,308,277

The notes to the financial statements are an integral part of these statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Clewiston, Florida (the "City") is a municipal corporation, incorporated by the Laws of Florida, 1923, Chapter 9712, which was amended by the Laws of Florida, 1925, Chapter 10434. Both of said acts were repealed by the Laws of Florida 1925, Chapter 10433, Article IX, Paragraph 11. Chapter 10433, as amended, constitutes the present Charter of the City. The City is governed by an elected five-member Board of City Commissioners. The Board appoints a City Manager to administer the policies emanating from its statutory powers and authority. The City's major operations include police and fire protection, parks and recreation, library, public works, general administrative services, and community redevelopment. In addition, the City owns and operates electric, water, sewer, and solid waste collection systems.

The financial statements of the City have been prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America applicable to governmental units and the Uniform Accounting System mandated by Chapter 218.33, Florida Statutes. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting in the United States.

Reporting Entity
As required by GAAP, this report presents the financial statements of the funds of the City (the primary government). In evaluating the City as a reporting entity, management has considered all potential component units for which the City may or may not be financially accountable and included within the City's financial statements. Management utilized criteria set forth in GASB Statement 61 as amended for determining financial accountability of potential component units in evaluating potential component units. In accordance with GASB Statement 61 as amended, the City is financially accountable if it appoints a voting majority of the potential component unit's governing board, and it is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The City has three component units, as defined by GASB Statement 61 as amended, which have been presented in the financial statements of the primary government using the blended presentation method and is presented as a governmental fund type with a fiscal year-end of September 30. The Clewiston Community Redevelopment Agency (the "Agency") was established by the City under Ordinance No. 2005-1 pursuant to the "Community Development Act of 1969" and Chapter 163, Part III of the Florida Statutes to prepare a community redevelopment plan for a designated geographic area within the City. The Agency's governing body is the same as the governing body of the City. The Agency functions as a department of the City. City management has operational and fiscal responsibility for the Agency's activities.

The City of Clewiston Retirement Plan is a single-employer defined benefit pension plan administered by Securian Retirement Services, which act as the administrator of the Plan. The Board consists of the members of the City Commission. The Plan is reported as a fiduciary component unit in accordance with Governmental Accounting Standards Board Statement Number 84.

The City of Clewiston Firefighters' Retirement System (the "System") is a single-employer defined benefit pension plan administered by the Florida Municipal Pension Trust Fund, which act as the administrator of the plan. The Board consists of five members: two of whom shall be legal residents of Clewiston who shall be appointed by the City Commission, two of whom shall be Firefighter Members of the System elected by a majority of the firefighters who are members of the System, and one who shall be chosen by a majority of the previous four Trustees. The plan is reported as a fiduciary component unit in accordance with Governmental Accounting Standards Board Statement Number 84.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements
The basic financial statements include both government-wide and fund financial statements. The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the activities of the primary government and its component unit. For the most part, the effect of interfund activity has been removed from these statements. Interfund services provided and used have not been eliminated. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

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

Measurement Focus and Basis of Accounting
The government-wide financial statements are reported using the flow of economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as with accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Hendry County Tax Collector bills and collects property taxes for the City in accordance with the laws of the State of Florida. Property taxes attach as an enforceable lien on property as of the date of assessment and remain in effect until discharge by payment. Taxes are payable when levied (on November 1, or as soon thereafter as the assessment roll becomes available to the Tax Collector).

The following is the current property tax calendar:

Lien date	January 1
Levy date	November 1
Due date	November 1
Delinquent date	April 1
Sale of tax certificates	by June 1

Discounts of 1% are granted for each month taxes are paid on or before February 28, with a maximum discount of 4% if paid by November 30. Revenue recognition criteria for property taxes under GASB requires that property taxes expected to be collected within 60 days of the current period be accrued. Current year ad valorem taxes, which are uncollected as of the end of the fiscal year, are generally immaterial in amount, therefore, are not recorded as a receivable.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation
The financial transactions of the City are recorded in individual funds. Each fund is a separate accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are other charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services.

Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

GASB Statement 34 sets forth minimum criteria (percentage of assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of either fund category or the governmental and enterprise funds combined) for the determination of major funds. The City has used GASB Statement 34 minimum criteria for major fund determination to determine which funds are required to be reported as major funds. The following two broad classifications are used to categorize the fund types used by the City:

Governmental Funds
Governmental funds focus on the determination of financial position and changes in financial position (sources, uses, and balances of financial resources) and not net income. The City has the following major governmental funds:

The *General Fund* is the City's primary operating fund and is used to account for all financial resources except those required to be accounted for in another fund.

The *Community Redevelopment Fund* is used to account for the tax increment development receipts and expenditures thereof.

Proprietary Funds
Proprietary funds focus on the determination of net income, changes in net position, financial position and cash flows. The following is a description of the City's major proprietary funds:

Electric Fund – Accounts for the operations and activities related to the electric system within the City.

Water and Sewer Fund – Accounts for the operations and activities related to the water and sewer system within the City.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Solid Waste Fund – Accounts for the operations and activities related to the solid waste system within the City.

The City also reports special revenue funds are used to account for specific revenue sources that are restricted to expenditures for particular purposes.

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support City programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds.

The City's fiduciary fund is presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third-party (pension participants) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

The fiduciary fund of the City is the Pension Trust Fund.

Cash and Cash Equivalents

Each fund's cash on hand, demand deposits, and short-term investments are considered cash and cash equivalents. For purposes of these statements, all highly liquid debt instruments (including restricted assets), with a maturity of three months or less when purchased, are considered to be cash equivalents.

Deposits and Investments

Section 218.415, Florida Statutes, requires the investment of surplus public funds and prescribes the instruments in which those investments are authorized. Specifically, allowable investments include:

- The State of Florida Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories.
- Direct obligations of the United States.

The City adheres strictly to the provisions of those cited statutes, as well as with Chapter 280, Florida Statutes, which requires the City to maintain deposits only with qualified public depositories. The City maintains a cash and investment pool available for use by all funds. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund. In addition, restricted cash accounts and money market deposit accounts are separately maintained by several City funds in accordance with bond ordinances and other contractual agreements. Investments are stated at fair value, based on quoted market prices.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deposits and Investments (Continued)
The City's cash and investment pool and certain individual funds participate in the Florida State Board of Administration (SBA) Florida PRIME. The SBA is governed by Chapter 19-1 of the Florida Administrative Code (FAC). The FAC provides guidance and establishes the general operating procedures for the administration of the Local Government Surplus Trust Funds. Additionally, the Florida Auditor General performs an operational audit of activities and investments of the SBA. GASB Statement 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, applies to Florida PRIME. GASB Statement 31 outlines the two options for accounting and reporting for money market investment pools as either "2a-7 like" or fluctuating net asset value (NAV). GASB Statement 31 describes a "2a-7 like" pool as an external investment pool that is not registered with the Securities and Exchange Commission (SEC) as an investment company, but nevertheless has a policy that it will operate in a manner consistent with Rule 2a-7 under the Investment Company Act of 1940. Rule 2a-7 is the rule that permits money market funds to use amortized cost to maintain a constant NAV of $1.00 per share, provided that such funds meet certain conditions. City investments with the SBA may be made or liquidated by wire on a same day basis, subject to limitations described in Note 3. These funds are considered a SEC “2a-7 like” fund and are recorded at fair value.

Receivables and Payables
Interfund transactions are reflected as loans, services provided, reimbursements, or transfers. Loans between funds outstanding at the end of the fiscal year are referred to as either "due to other funds" or "due from other funds" (i.e., the current portion of interfund loans) or "advances" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and are not eliminated in the process of consolidation.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Services provided, deemed to be at market, or near market rates, are treated as revenues and expenditures/expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide columnar presentation. All proprietary fund receivables are shown net of an allowance for uncollectibles. The City's allowance estimate is based on historical collection experience and a review of the current status of accounts receivable.

Inventory and Prepaid Items
Inventory in governmental funds is valued at the lower of cost or net realizable value using the first in/first out (FIFO) method. A portion of the General Fund balance equal to the inventory amount has been reserved in the fund financial statements to indicate that it is not available for appropriation.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both government-wide and fund financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets
Capital assets, which include property, plant, equipment, and infrastructure assets (roads, bridges, infrastructure, water and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets costing in excess of $1,000 with estimated useful lives in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized in proprietary funds as projects are constructed.

Capital assets are stated at cost, except for contributed assets, which are recorded at acquisition value on the date received by the City. Property, plant and equipment of the primary government are depreciated/amortized using the straight-line method generally over the following estimated useful lives:

	Years
Buildings	40
Improvements other than buildings	10 - 40
Machinery and equipment	5 - 10

Compensated Absences
It is the City's policy to permit employees to accumulate earned but unused vacation leave and associated employee-related costs. A liability for these amounts is reported in governmental fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

Long-Term Obligations
In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

The difference between the reacquisition price (new debt) and the net carrying value of the old debt creates a deferred gain/loss from advance refunding of debt. This difference is deferred and amortized as a component of interest expense using the bonds outstanding method over the shorter of the remaining life of the old debt or the life of the new debt. The deferred account is offset against the new liability.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, gains/loss from refunding, as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums and gains from refundings received on debt issuances are reported as other financing sources while discounts and losses from refundings on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Pension Liability
For purposes of measuring the net pension liability, deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s Pension Trust Fund (the “Plan”), as well as the Florida Retirement Systems (FRS) and Health Insurance Subsidy (HIS) plans (Plans) and additions to/deductions from the Plans’ fiduciary net position have been determined on the same basis as they are reported by the Plan and FRS. For this purpose, benefit payments (including refunds of employee contributions, if any) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance
GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, under GASB Statement 54, are as follows:

Nonspendable – includes amounts that are not in spendable form or legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, deposits, prepaids, and advances to other funds.

Restricted – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed – includes fund balance amounts that can be used only for the specific purposes that are internally imposed by a formal action (Resolution) of the government's highest level of decision-making authority, the City Commission. Commitments may be changed or lifted only by the City taking the same formal action (Resolution) that imposed the constraint. Contractual obligations are included to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual obligations.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Intent is expressed by the City Commission or a body (for example: a budget or finance committee) or official to which the City Commission has delegated the authority to assign amounts to be used for specific purposes. This indicates that resources in these funds are, at a minimum, intended to be used for the purposes of that fund. The City Commission has not authorized a specific party to assign fund balance. The City Commission may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget.

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed on fund balances. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification with the General Fund. The General Fund is the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

In circumstances when an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and unassigned.

Net Position
Net position is classified in three categories. The general meaning of each is as follows:

Net investment in capital assets – represents the cost of capital assets, less accumulated depreciation reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets.

Restricted – this category includes resources restricted by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position (Continued)
Unrestricted – indicates that portion of net position that is available for future periods.

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

Deferred Outflows/Inflows of Resources
In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. See Note 8 and Note 11 for additional information on the City's deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has one item that qualifies for reporting in this category which relates to the City's pension plan. See Note 6 for additional information on the City's deferred inflows of resources related to pensions.

Estimates
The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets
Budgets are adopted on a basis consistent with GAAP. Annual appropriated budgets are adopted by ordinance for all governmental and proprietary funds. However, budgets for proprietary funds are not legally required to be reported on and are not included in these financial statements. All appropriations lapse at fiscal year-end except for appropriations related to multi-year capital projects. Florida Statutes provide that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. Chapter 129, Florida Statutes, governs the manner in which the budget may be legally amended once it has been approved. Therefore, the fund level is the legal level of control for budget considerations according to Florida Statutes.

The City sets the legal level of budgetary control at the fund level. The transfer of budgeted amounts within departments may be requested by department heads and may be made upon approval by the Finance Director and City Manager. Budgetary transfers between funds or changes in the total budget of a fund require approval of the City Commission through the passage of a resolution which is required to be posted on the City's website. The schedule of expenditures by department budget and actual is presented in the financial statements to demonstrate compliance with the previous City policy which required budget approvals at the total department level. The City issues a separate budgetary report to demonstrate compliance with the new policy due to the exceptionally low level at which budgetary control has been set.

If, during the fiscal year, additional revenue becomes available for appropriations in excess of those estimated in the budget, the City Commission by resolution can make supplemental appropriations for the year. During the current fiscal year, various supplemental appropriations were approved by the City Commission. Budgetary data presented in the accompanying basic financial statements in the final budgeted amounts column represents the final budgetary data. In this column, the effects of budget amendments have been applied to original budgetary data.

NOTE 2 – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of resources that are recorded in order to reserve that portion of the applicable appropriation, is employed in the governmental funds. Encumbrances outstanding at year-end are reported as commitments of fund balances and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. All encumbrances were closed at the end of the year. Therefore, no provision for encumbrances has been made at September 30, 2023.

NOTE 3 – DEPOSITS AND INVESTMENTS

Deposits

Deposit policies – The City's cash and cash equivalents (including restricted assets) include cash on hand, demand deposits, short-term highly liquid debt instruments with original maturities of three months or less from the date of acquisition, pooled investments and money market funds.

Custodial credit risk – There is a risk that in the event of failure of a depository financial institution, the government will not be able to recover their deposits. It is the City's policy to maintain its deposits only with qualified public depositories as defined in Chapter 280, Florida Statutes. The provisions of this statute allow qualified public depositories to participate in a multiple financial institution collateral pool to ensure security for public deposits. All qualified public depositories must place with or in the name of the Chief Financial Officer of the State of Florida, collateral in the amount of the average daily balance of public deposits multiplied by the average monthly balance of public deposits or 125% of the average daily balance of public deposits greater than capital. In the event of default by a qualified public depository, excess losses over insurance and collateral will be recovered through assessments from all qualified public depositories of the same type as the depository in default. Under this method, all City's deposits are considered fully insured. The City has no further custodial credit risk policy.

At September 30, 2023, the carrying amount of the City's checking accounts was $19,269,596 and the bank balance was $20,024,143.

City Investments

Florida Statutes authorize investments that include money market accounts, savings accounts, repurchase agreements, the Florida State Board of Administration (SBA) Florida PRIME, obligations of the U.S. Government, governmental agencies guaranteed by the U.S. Government, and certain bond mutual funds.

At September 30, 2023, the City held $2,140,772 in Florida PRIME. Florida PRIME is an external investment pool governed by Chapters 215 and 218, Florida Statutes, and SBA Rules, Chapter 19-7, *Florida Administrative Code*. The purpose of Chapter 218, Part IV, Florida Statutes, is to promote through state assistance, the maximization of net interest earnings on invested surplus funds of units of local government, based on the principles of investor protection, mandated transparency, and proper governance, with the goal of reducing the need for imposing additional taxes. The primary investment objectives, in priority order, are safety, liquidity, and competitive returns with minimization of risks. Florida PRIME is rated AAAm by Standard and Poor's Rating Services. The dollar weighted average days to maturity (WAM) of Florida Prime at September 30, 2023 is 21 days. The weighted average life (WAL) of Florida PRIME at September 30, 2023 is 72 days.

Interest rate risk – The City does not have a formal policy relating to interest rate risk.

Credit risk – For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. All the City's investments are excluded from the definition of custodial credit risk. The City has no investment policy regarding credit risk.

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

City Investments (Continued)
Concentrations of credit risk – The City places no limits on the amount it may invest on any one issuer. As of September 30, 2023, the City did not hold any investments that were considered to be a concentration of credit risk.

Investments are stated at amortized cost in accordance with GASB 79. Per GASB 79, if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates) in notes to the financial statements.

Chapter 218.409(8)(a), Florida Statutes, states, the principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.

As of September 30, 2023, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

Pension Trust Fund Investments
As of September 30, 2023, the City's pension trust fund had the following investments:

Pension Trust Fund Investments	Fair Value
Fixed income	$ 5,993,196
Domestic equity	5,685,125
International equity	1,352,023
	$ 13,030,344

Fair Value Measurements
The City categorizes its fair value measurements within fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs for similar assets, and Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2023:

	Level 1	Level 2	Level 3	Fair Value
Pension Trust Fund Investments				
Fixed income	$ -	$ 5,993,196	$ -	$ 5,993,196
Domestic equity	-	5,685,125	-	5,685,125
International equity	-	1,352,023	-	1,352,023
	$ -	$ 13,030,344	$ -	$ 13,030,344

NOTE 3 – DEPOSITS AND INVESTMENTS (CONTINUED)

Pension Trust Fund Investments (Continued)
Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Securities classified in Level 3 are valued using discounted cash flow techniques.

NOTE 4 – ACCOUNTS RECEIVABLE

Accounts receivable at September 30, 2023 were as follows:

	General Fund	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
Accounts receivable	$ 524,080	$ 1,856,478	$ 870,100	$ 614,094	$ 3,864,752
Due from other governments	2,176,537	-	1,506,698	-	3,683,235
Assessments receivable	17,423	-	379,916	-	397,339
Less allowance for doubtful accounts	(11,359)	(90,099)	(52,253)	(15,591)	(169,302)
	$ 2,706,681	$ 1,766,379	$ 2,704,461	$ 598,503	$ 7,776,024

Due from Other Governments
Amounts due from other governments in the General Fund relate to the grant and other intergovernmental revenue.

NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

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

Due From/To Other Funds
Due from/to other funds generally represent recurring activities between funds, as well as temporary cash deficits. Balances as of September 30, 2023 were as follows:

	Due From				
Due To	General Fund	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
General Fund	$ -	$ -	$ 6,088	$ 12,374	$ 18,462
Grants Fund	-	8	-	-	8
Electric Fund	1,176,371	-	-	-	1,176,371
Water and Sewer Fund	-	16,500	-	-	16,500
Solid Waste Fund	-	20,669	-	-	20,669
Total	$ 1,176,371	$ 37,177	$ 6,088	$ 12,374	$ 1,232,010

Additionally, the City reports an advance payable due from the General Fund to the Water and Sewer fund in the amount of $2,248.

Interfund Transfers
Interfund transfers represent transfers of funds for operating purposes from the fund that collected them to the fund that is authorized to expend them.

	Transfers Out			
Transfers In	Electric Fund	Water and Sewer Fund	Solid Waste Fund	Total
General Fund	$ 1,135,704	$ 345,732	$ 156,048	$ 1,637,484

NOTE 6 – CAPITAL ASSETS

Capital asset balances and activity for the year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Governmental activities					
Capital assets not being depreciated					
Land	$ 1,836,719	$ -	$ -	$ -	$ 1,836,719
Construction in progress	2,385,912	4,362,890	-	(1,740,992)	5,007,810
Total assets not being depreciated	4,222,631	4,362,890	-	(1,740,992)	6,844,529
Capital assets being depreciated					
Buildings	5,574,019	-	-	43,774	5,617,793
Improvements other than buildings	10,322,577	-	-	1,697,218	12,019,795
Machinery and equipment	9,572,622	418,626	(109,487)	-	9,881,761
Total assets being depreciated	25,469,218	418,626	(109,487)	1,740,992	27,519,349
Less accumulated depreciation					
Buildings	(3,435,797)	(133,537)	-	-	(3,569,334)
Improvements other than buildings	(8,197,136)	(201,298)	-	-	(8,398,434)
Machinery and equipment	(7,812,013)	(264,989)	109,487	-	(7,967,515)
Total accumulated depreciation	(19,444,946)	(599,824)	109,487	-	(19,935,283)
Total assets depreciated, net	6,024,272	(181,198)	-	1,740,992	7,584,066
Governmental activities, net	$ 10,246,903	$ 4,181,692	$ -	$ -	$ 14,428,595

	Beginning Balance	Additions	Deletions	Transfers	Ending Balance
Business-type activities					
Capital assets not being depreciated					
Land	$ 670,142	$ -	$ -	$ -	$ 670,142
Construction in progress	3,022,916	1,642,515	-	(1,546,964)	3,118,467
Total assets not being depreciated	3,693,058	1,642,515	-	(1,546,964)	3,788,609
Capital assets being depreciated					
Buildings	440,756	-	-	-	440,756
Improvements other than buildings	44,991,037	863,201	-	1,546,964	47,401,202
Machinery and equipment	12,417,982	1,180,419	(44,705)	-	13,553,696
Total assets being depreciated	57,849,775	2,043,620	(44,705)	1,546,964	61,395,654
Less accumulated depreciation					
Buildings	(368,990)	(10,729)	-	-	(379,719)
Improvements other than buildings	(21,021,066)	(934,400)	-	-	(21,955,466)
Machinery and equipment	(9,002,806)	(455,442)	44,705	-	(9,413,543)
Total accumulated depreciation	(30,392,862)	(1,400,571)	44,705	-	(31,748,728)
Total assets depreciated, net	27,456,913	643,049	-	1,546,964	29,646,926
Business-type activities, net	$ 31,149,971	$ 2,285,564	$ -	$ -	$ 33,435,535

NOTE 6 – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to function/programs of the City as follows:

Governmental activities	
General government	$ 30,918
Public safety	173,532
Transportation	173,424
Physical environment	24
Economic environment	22,308
Culture and recreation	187,960
Human services	11,658
	$ 599,824
Business-type activities	
Electric	$ 416,871
Water and sewer	843,047
Solid waste	140,653
	$ 1,400,571

NOTE 7 – LONG-TERM DEBT

Long-term debt activity for the year ended September 30, 2023 is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Notes payable from direct borrowings					
Notes payable - bank	$ 134,689	$ -	$ (61,248)	$ 73,441	$ 62,816
Net pension liability	3,075,257	1,764,536	(1,788,539)	3,051,254	-
Total OPEB liability	636,249	64,788	(46,844)	654,193	-
Compensated absences	177,319	31,130	(22,619)	185,830	23,298
Total governmental activities	$ 4,023,514	$ 1,860,454	$ (1,919,250)	$ 3,964,718	$ 86,114
Business-type activities					
Bonds payable	$ 11,516,000	$ -	$ (290,000)	$ 11,226,000	$ 301,000
Notes payable from direct borrowings	2,985,392	983,000	(188,741)	3,779,651	273,296
Net pension liability	888,403	316,452	(877,659)	327,196	-
Total OPEB liability	323,708	32,959	(23,830)	332,837	-
Compensated absences	90,848	13,495	(15,210)	89,133	15,667
Total business-type activities	$ 15,804,351	$ 1,345,906	$ (1,395,440)	$ 15,754,817	$ 589,963

For the governmental activities, the net pension liability, total OPEB liability, and compensated absences are generally liquidated by the General Fund. The beginning balances above have been adjusted to remove the net pension related balances which have become net pension assets during the year.

NOTE 7 – LONG-TERM DEBT (CONTINUED)

GOVERNMENTAL ACTIVITIES	
Notes Payable from Direct Borrowings	
$300,000 note payable to a bank, dated October 31, 2019, payable in monthly payments of $5,329, including interest at 2.50%, with the first payment due on December 1, 2019. The final maturity date of the loan is November 1, 2024. Proceeds were used to purchase golf carts.	$ 73,441
BUSINESS-TYPE ACTIVITIES	
Revenue Bonds	
Water and Sewer Revenue Bonds - Series 2007A. 4.125% revenue bonds payable, issued on June 7, 2007, to finance improvements to the water system; payment of principal, interest, and reserve account contributions are secured by net revenues of the water and sewer system; bonds mature serially on September 1, each year until the year 2046.	$ 6,237,000
Water and Sewer Revenue Bonds - Series 2007B. 4.125% revenue bonds payable, issued on June 7, 2007, to finance improvements to the water system; payment of principal, interest, and reserve account contributions are secured by net revenues of the water and sewer system; bonds mature serially on September 1, each year until the year 2046.	4,989,000
Notes Payable from Direct Borrowings	
Notes payable to Florida Department of Environmental Protection, State Revolving Fund with the beginning of the repayment period on October 15, 2010. The two notes are payable in 40 semi-annual payments in a combined amount of $30,940, including interest at the rate of 1.42%, beginning April 15, 2011. The maturity date of the loans is October 15, 2030. Loans are secured by net revenues of the water and sewer systems. Proceeds from the loans were used to construct improvements to the sewer system.	438,882
Note payable to the Florida Department of Environmental Protection - State Revolving Fund with the beginning of the repayment period to be first principal payment due on January 15, 2019. The payments are principal only and are made semiannually in the amount of $10,676. There are 60 payments. The final maturity date of the loan is July 15, 2048. Proceeds from the loan were used to update the Master Lift Station of the City Sewer system.	533,788
Note payable to the Florida Department of Environmental Protection - State Revolving Fund with the beginning of the repayment period to be first principal payment due on October 15, 2020. The payments are principal only and are made semiannually in the amount of $16,126. Proceeds from the loan were used for an inflow and infiltration study.	189,610
Note payable to the Florida Department of Environmental Protection - State Revolving Fund with the beginning of the repayment period to be first principal payment due on March 15, 2022. The payments are principal only and are made semiannually in the amount of $12,265. Proceeds from the loan were used for an inflow and infiltration study.	403,819
Note payable to Financial Institution with the first principal payment due on February 1, 2024. The payments are principal and interest at 3.91% through February 1, 2033 and are made annually in the amount of $120,652.	983,000
Note payable to the Florida Municipal Power Agency with the beginning of the repayment period to be first principal payment due on April 1, 2022. The payments are principal only and are made semiannually in the amount of $51,435.	1,230,552
Total business-type activities	$15,005,651

NOTE 7 – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize all debt outstanding as of September 30, 2023 are outlined in the table below:

GOVERNMENTAL ACTIVITIES

Fiscal Year	Notes Payable from Direct Borrowings		
	Principal	Interest	Total
2024	$ 62,816	$ 1,136	$ 63,952
2025	10,625	33	10,658
	$ 73,441	$ 1,169	$ 74,610

Fiscal Year	Revenue Bonds			Notes Payable from Direct Borrowings		
	Principal	Interest	Total	Principal	Interest	Total
2024	$ 301,000	$ 463,073	$ 764,073	$ 273,296	$ 68,444	$ 341,740
2025	314,000	450,656	764,656	278,889	62,851	341,740
2026	327,000	437,704	764,704	284,647	57,094	341,741
2027	340,000	424,215	764,215	290,574	51,166	341,740
2028	355,000	410,190	765,190	296,678	45,062	341,740
2029-2033	2,003,000	1,819,166	3,822,166	1,772,347	117,607	1,889,954
2034-2038	2,453,000	1,370,408	3,823,408	277,729	3,957	281,686
2039-2043	3,004,000	820,875	3,824,875	198,736	427	199,163
2044-2048	2,129,000	178,571	2,307,571	106,755	-	106,755
	$ 11,226,000	$ 6,374,858	$ 17,600,858	$ 3,779,651	$ 406,608	$ 4,186,259

NOTE 8 – PENSION PLANS

A – Cost Sharing Multiple Employer Defined Benefit Plans

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

Membership in the Florida Retirement System is compulsory for all of the City's certified police officers hired after February 1, 2004. All certified police officers hired prior to February 1, 2004, were allowed to elect to participate in the Florida Retirement System or remain in the existing City pension plan.

The FRS has five classes of membership. The City's certified law enforcement officers belong to one of the five classes, the Special Risk Class.

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

NOTE 8 – PENSION PLANS (CONTINUED)

A – Cost Sharing Multiple Employer Defined Benefit Plans (Continued)

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

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

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

Contributions
The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The employer's contribution rates for the period October 1, 2022 through June 30, 2023, and July 1, 2023 through September 30, 2023, were as follows: Regular Class 11.91% and 13.57%, Senior Management 31.57% and 34.52%, Elected Officials 57.00% and 58.68%, and DROP Participants 18.60% and 21.13%.

The City's contributions for the year ended September 30, 2023 were $204,606 to FRS and $15,154 to HIS.

Pension Liabilities and Pension Expense
In its financial statements for the year ended September 30, 2023, the City reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated July 1, 2023. The City's proportions of the net pension liabilities were based on the City's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS
Net pension liability	$ 1,642,160	$ 349,661
Proportion at:		
Current measurement date	0.0041211%	0.0022017%
Prior measurement date	0.0034641%	0.0019540%
Pension expense (benefit)	$ 281,739	$ 123,742

NOTE 8 – PENSION PLANS (CONTINUED)

A – Cost Sharing Multiple Employer Defined Benefit Plans (Continued)

As of September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 154,185	$ -	$ 5,119	$ 821
Change of assumptions	107,050	-	9,192	30,299
Net difference between projected and actual earnings on Pension Plan investments	68,581	-	181	-
Changes in proportion and differences between City Pension Plan contributions and proportionate share of contributions	169,999	184,614	31,121	34,801
City Pension Plan contributions subsequent to the measurement date	53,306	-	3,988	-
Total	$ 553,121	$ 184,614	$ 49,601	$ 65,921

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2024. Other pension related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	FRS	HIS
2024	$ 42,958	$ (3,548)
2025	(17,020)	(2,151)
2026	257,767	(3,579)
2027	24,486	(7,021)
2028	7,010	(3,719)
Thereafter	-	(290)
	$ 315,201	$ (20,308)

Actuarial Assumptions
The total pension liability for each of the defined benefit plans, measured as of June 30, 2024 was determined by an actuarial valuation dated July 1, 2023, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary increases	3.25%	3.25%
Investment rate of return	6.70%	N/A
Discount rate	6.70%	3.65%

Mortality assumptions for both plans were based on the PUB-2010 tables with Scale MP-2018.

For both plans, the actuarial assumptions used in the valuation dated July 1, 2023 were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

NOTE 8 – PENSION PLANS (CONTINUED)

A – Cost Sharing Multiple Employer Defined Benefit Plans (Continued)

The following changes in key actuarial assumptions occurred in 2023:

HIS: The municipal bond index rate and the discount rate used to determine the total pension liability increased from 3.54% to 3.65%.

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class:

Asset Class	Target Allocation [1]	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.4%

[1] As outlined in the Pension Plan's investment policy

Discount Rate
The discount rate used to measure the total pension liability for FRS was 6.70%. FRS' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because HIS is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

Sensitivity Analysis
The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

	FRS			HIS		
	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
City's proportionate share of the net pension liability	$ 2,805,089	$ 1,642,160	$ 669,172	$ 398,909	$ 349,661	$ 308,838

NOTE 8 – PENSION PLANS (CONTINUED)

A – Cost Sharing Multiple Employer Defined Benefit Plans (Continued)

Pension Plan Fiduciary Net Position
Detailed information regarding the pension plans' fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Payables to the Pension Plan
At September 30, 2023, the City reported a payable in the amount of $0 for outstanding contributions to the Pension Plan required for the fiscal year ended September 30, 2023.

B – Frozen Single Employer Defined Benefit Pension Plan

The City sponsors a single employer defined benefit pension plan. Securian Retirement Services was appointed by the City as plan administrator and is responsible for all administrative, actuarial, and investment management decisions for the City of Clewiston Pension Plan (Plan). Future retirees will have their benefits paid directly from the plan assets instead of through purchased annuities.

The City elected to freeze the benefits, except for cost of living increases, under the defined benefit plan effective October 1, 2012. No new members will be added to the plan after September 30, 2012.

The Plan does not issue a separate stand-alone financial report. The financial information is included as a Pension Trust Fund in the City's financial statements.

Membership
Membership in the Plan consisted of the following at October 1, 2023 the date of the latest actuarial valuation:

Active plan members	25
Retirees and beneficiaries currently receiving benefits	57
Terminated with vested deferred benefits	73
Total	155

Contributions
The City's actual contribution for the fiscal year ended September 30, 2023 was $61,911.

Investment Policy
The following was the Board's adopted asset allocation policy as of September 30, 2023:

Asset Class	Allocation Policy	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Domestic equity	72%	4.98%	7.48%
International equity	10%	5.32%	7.85%
Fixed income	18%	2.37%	4.87%
Real estate and alternatives	0%	3.79%	6.29%
General account	0%	2.30%	4.80%
Total (weighted avg. rounded to 1/4%)	100%		6.50%

NOTE 8 – PENSION PLANS (CONTINUED)

B – Frozen Single Employer Defined Benefit Pension Plan (Continued)

Concentrations
There were no investments (other than U.S. Government and U.S. Government-guaranteed obligations) that represent more than 5% of net position restricted for benefits.

There are no investments in, loans to, or leases with, any City official, government employer official, party related to a town official or government employer official, non-employer contributor, or organization included in the reporting entity.

Rate of Return
For the year ended September 30, 2023, the annual money-weighted rate of return on the City's pension plan investments, net of pension plan investment expense, was 16.76%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Liability of the City
Effective October 1, 2014, the City implemented the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions − an amendment of GASB Statement No. 27*, as well as Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The information disclosed on the following pages is presented in accordance with these standards. The City's Plan does not issue separate financial statements.

The measurement date for the City's net pension asset is September 30, 2023. The total pension liability used to calculate the net pension asset was determined as of that date. The components of the net pension asset of the City for its September 30, 2023, financial statements, were as follows:

Total pension liability	$ 13,876,092
Plan fiduciary net position	(12,967,217)
City's net pension liability	$ 908,875
Plan fiduciary net position as a percentage of total pension liability	93.45%

For the year ended September 30, 2023, the City recognized pension expense of ($120,124) for the Plan. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows related to its pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on pension plan investments	$ 672,886	$ -
Total	$ 672,886	$ -

NOTE 8 – PENSION PLANS (CONTINUED)

B – Frozen Single Employer Defined Benefit Pension Plan (Continued)

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

Year ended September 30,	
2024	$ 111,146
2025	186,613
2026	610,005
2027	(234,878)
Total	$ 672,886

The required schedule of changes in the City's net pension liability (asset) and related ratios immediately following the notes to the financial statements presents multi-year trend information about whether the value of plan assets is increasing or decreasing over time relative to the total pension liability.

Actuarial Assumptions
The long-term expected 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	Allocation Policy	Long-Term Expected Real Rate of Return	Long-Term Expected Nominal Rate of Return
Domestic equity	72%	4.98%	7.48%
International equity	10%	5.32%	7.85%
Fixed income	18%	2.37%	4.87%
Real estate and alternatives	0%	3.79%	6.29%
General account	0%	2.30%	4.80%
Total (weighted avg. rounded to 1/4%)	100%		6.50%

Discount Rate
The discount rate used to measure the total pension liability for the Plan was 6.50%.

The projection of cash flows used to determine the discount rate assumed that 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 plans' 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.

NOTE 8 – PENSION PLANS (CONTINUED)

B – Frozen Single Employer Defined Benefit Pension Plan (Continued)

Changes in the Net Pension Liability of the City
The changes in the components of the net pension liability of the City for the fiscal year ended September 30, 2023, were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Balances at September 30, 2022	$ 14,107,426	$ 11,639,637	$ 2,467,789
Changes for the year:			
Interest	870,717	-	870,717
Differences between expected and actual experience	(464,056)	-	(464,056)
Assumption changes	-	-	-
Benefit payments and refunds	(637,995)	(637,995)	-
Contributions - employer	-	61,911	(61,911)
Net investment income	-	1,911,975	(1,911,975)
Administrative expenses	-	(8,311)	8,311
Net change	(231,334)	1,327,580	(1,558,914)
Balances at September 30, 2023	$ 13,876,092	$ 12,967,217	$ 908,875

Sensitivity of the Net Pension Liability to Changes in the Discount Rate
The following presents the net pension liabilities of the City, calculated using the discount rates noted above, as well as what the City's net pension liabilities 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 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
City's Net Pension Liability - September 30, 2023	$ 2,567,304	$ 908,875	$ (452,084)

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023 and the current sharing pattern of costs between employer and employee.

C – Firefighters' Retirement Plan

During December 2021, the City passed a resolution to participate in the Florida Pension Municipal Trust Fund Defined Benefit Plan and Trust for all full-time and volunteer firefighters hired by the City on or after January 1, 2022. All firefighters shall become eligible to participate in the plan immediately when hired. Social Security coverage is also provided to the firefighters.

NOTE 8 – PENSION PLANS (CONTINUED)

C – Firefighters' Retirement Plan (Continued)

The following information about the Plan is provided for general information purposes only. Participants should refer to the Plan documents for more complete information.

Basis of Accounting
The Plan's financial statements are prepared using the accrual basis of accounting. Contributions from the Plan's members are recognized as revenue in the period in which the contributions are due. Contributions from the City, as calculated by the Plan's actuary, are recognized as revenue when due and when the City has made a formal commitment to provide contributions. Expenses are recognized in the accounting period incurred, if measurable. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Pension Plan Description	
Name of the pension plan	City of Clewiston Firefighters Retirement System.
Legal plan administrator	Board of Trustees of the City of Clewiston Firefighters Retirement System.
Plan type	Single-employer defined benefit pension plan.
Number of covered individuals	23 (no inactive employees or beneficiaries currently receiving benefits; one inactive employee entitled to but not yet receiving benefits; 22 active employees).
Contribution requirement	Employer contributions are actuarially determined; employees must contribute 5.00% of pensionable earnings; employee contribution requirement may be amended by City ordinance, but employer contribution requirement is subject to State minimums.
Pension plan reporting	The plan issues a stand-a/one financial report each year, which contains information about the plan's fiduciary net position. The plan's fiduciary net position has been determined on the same basis used by the pension plan and is equal to the market value of assets calculated under the accrual basis of accounting. This report is available to the public at the plan's administrative office: Retirement Department, Florida League of Cities, Inc., P.O. Box 1757, Tallahassee, FL 32302, (800) 342-8112.
Description of the Benefits Provided	
Employees covered	All full-time and volunteer firefighters of the City of Clewiston other than part-time and auxiliary firefighters.
Types of benefits offered	Retirement, disability, and pre-retirement death benefits.
Monthly accrued benefit	2.75% of average earnings x service.
Early retirement adjustment	Early retirement pension is reduced by 3% for each year by which the early retirement date precedes the normal retirement date.
Disability pension	Larger of basic pension formula or 42% of average earnings (for service-connected disabilities). Larger of basic pension formula or 25% of average earnings (for non-service-connected disabilities if the participant has earned at least 10 years of service). Disability benefits are offset as necessary to preclude the total of the disability benefit, worker's compensation, and other City-provided disability compensation from exceeding average earnings.

NOTE 8 – PENSION PLANS (CONTINUED)

C – Firefighters' Retirement Plan (Continued)

Pre-retirement death benefit	Actuarial equivalent of the basic pension formula payable for 10 years upon the participant's death; a surviving spouse may choose to commence payments as of the participant's early or normal retirement age, subject to a 3% reduction for each year by which the participant's early retirement date precedes his normal retirement date (payable to the beneficiary of a vested participant). Return of accumulated employee contributions (payable to the beneficiary of a non-vested participant).
Normal retirement age	Age 55 with at least 10 years of service, or Age 52 with at least 25 years of service.
Early retirement age	Age 50 with at least 10 years of service.
Vesting requirement	100% vesting after 10 years of service.
Form of payment	Actuarially increased single life annuity. 10-year certain and life annuity. Actuarially equivalent 50%, 66⅔%, 75%, or 100% joint and contingent annuity.
Average earnings	Average of the highest five years of pensionable earnings out of the last 10 years.
Cost-of-living adjustment	None provided.
DROP	A deferred retirement option plan (DROP) is available to those participants who have attained their normal retirement age and individuals may participate in the DROP for up to 60 months; DROP accounts are credited with interest at a flat rate of 6.50% per annum.

Plan Contributions

Funding for the Plan consists of contributions from members, the State of Florida, and the City. Plan members are required to contribute 2.5% of their annual covered compensation. The City is required to contribute the remaining amount to fund the Plan based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by Plan members during the year. For the fiscal year ended September 30, 2023, the City's contribution rate averaged 55.27% of annual covered payroll. Plan provisions and contribution rates may be amended by the City Commission based upon the recommendations of the Board of Trustees, subject to minimum requirements of Florida Statutes.

The Florida Constitution requires local governments to make the actuarially determined contribution. The Florida Division of Retirement reviews and approves each local government's actuarial report prior to its being appropriated for use for funding purposes.

Pursuant to Chapters 175 and 185 of Florida Statutes, premium taxes on certain property and casualty insurance contracts written on City properties is collected by the State and is remitted to the Plan. This amount totaled $41,580 for the fiscal year ended September 30, 2023.

NOTE 8 – PENSION PLANS (CONTINUED)

C – Firefighters' Retirement Plan (Continued)

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 estimated to be (5.48%). The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. Inputs to the money-weighted rate of return calculation are determined on a monthly basis.

Determination of the Long-Term Expected Rate of Return on Plan Assets
The long-term expected rates of return on classes of pension plan investments were developed by the investment consultant Asset Consulting Group (ACG) using Monte Carlo Simulations to analyze a range of possible outcomes and assist in making educated investment decisions. The output of the Monte Carlo Simulations is based on ACG's capital market assumptions that are derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions. The long-term expected rate of return was calculated by weighting the expected future real rates of return of each asset class 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's target asset allocation as of September 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Expected Long-Term Real Rate of Return
Core bonds	15.00%	1.60%
Core plus	15.00%	2.10%
U.S large cap equity	34.00%	4.60%
U.S. small cap equity	11.00%	5.50%
Non-U.S. equity	15.00%	6.70%
Core real estate	10.00%	5.00%
Total or weighted arithmetic average	100.00%	4.23%

Discount Rate
The discount rate used to measure the total pension liability was 7%. 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 the City contributions will be made a rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the 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 Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE 8 – PENSION PLANS (CONTINUED)

C – Firefighters' Retirement Plan (Continued)

Net Pension Asset
The components of the net pension asset of the City as of September 30, 2023 were as follows:

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Balances at September 30, 2022	$ 746,397	$ 117,519	$ 628,878
Changes for the year:			
Interest	18,958	-	18,958
Differences between expected and actual experience	53,571	-	53,571
Assumption changes	-	-	-
Benefit payments and refunds	(112)	(13,151)	13,039
Contributions - employer	-	174,442	(174,442)
Contributions - state	-	41,580	(41,580)
Contributions - employees	-	19,994	(19,994)
Net investment income	-	12,240	(12,240)
Administrative expenses	-	(11,564)	11,564
Net change	72,417	223,541	(151,124)
Balances at September 30, 2023	$ 818,814	$ 341,060	$ 477,754

Total pension liability	$ 818,814
Plan fiduciary net position	(341,060)
City's net pension liability	$ 477,754
Plan fiduciary net position as a percentage of total pension liability	41.65%

Sensitivity of the Net Position Asset to Changes in the Discount Rate
The following represents the net pension asset of the City, calculated using the discount rate of 7%, as well as what the City's net pension asset would be if it were calculated using a discount rate that is one percentage point lower (6%) or one percentage point higher (8%) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's Net Pension Liability - September 30, 2023	$ 596,604	$ 477,754	$ 380,431

At September 30, 2023, the City reported a net pension liability of $477,754 for the Firefighters' Retirement Plan. The liability was measured as of September 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of October 1, 2022. The City's net pension liability was based on a projection of the pension plan relative to the projected contributions during the fiscal year ended September 30, 2023.

NOTE 8 – PENSION PLANS (CONTINUED)

C – Firefighters' Retirement Plan (Continued)

For the fiscal year ended September 30, 2023, the City recognized pension expense of $63,585. In addition, the City reported deferred outflows of resources and deferred inflows of resources related to the Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual earnings on pension plan investments	$ 5,222	$ -
Total	$ 5,222	$ -

The amounts reported as deferred outflows of resources and deferred inflows of resources related to the Plan will be recognized in the pension expense as follows:

Year ended September 30,	
2024	$ 1,522
2025	1,522
2026	1,522
2027	656
Total	$ 5,222

Significant actuarial assumptions used in the October 1, 2022 valuation are as follows:

Inflation	2.77%
Salary Increases	4.00%
Discount Rate	7.00%
Investment Rate of Return	4.23%
Actuarial Valuation Date	10/1/2002

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023, and the current sharing pattern of costs between employer and employee.

Applicable totals for all of the City's defined benefit pension plans are reflected below:

	Pension Trust Fund	Fire Pension	FRS Pension	HIS Pension	Total
City's net pension liability	$ 908,875	477,754	$ 1,642,160	$349,661	$ 3,378,450
Deferred outflows of resources	672,886	5,222	553,121	49,601	1,280,830
Deferred inflows of resources	-	-	184,614	65,921	250,535
Pension expense (benefit)	(120,124)	50,109	281,739	123,742	335,466

NOTE 9 – CURRENT DEFINED CONTRIBUTION PLAN FOR EMPLOYEES OTHER THAN CERTIFIED POLICE OFFICERS

Effective October 1, 2012, the City adopted a Supplemental Retirement Income Plan, a defined contribution plan, for all full-time regular employees other than firefighters, police officers, and City Commissioners. The plan is administered by the City of Clewiston in accordance with Internal Revenue Code Section 401(a). The City Commission has the authority to establish and amend benefit provisions. The City contributes 6% of each employee's qualified salary (excluding firefighters, police officers, City Commissioners, and all part-time employees) and all amounts are vested immediately. All contributions to the plan are to be made by the City. The City Commission has the authority to establish and amend contribution requirements. All of the required contributions for the fiscal year ended September 30, 2023 were made by the City which totaled $184,442.

NOTE 10 – DEFERRED COMPENSATION PLAN

Employees of the City may defer a portion of their compensation under the City sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until the funds are distributed to them. The laws governing deferred compensation plans require plan assets to be held by a trust for the exclusive benefit of plan participants and their beneficiaries. Because the assets held under these plans are not the City's property and are not subject to City Commission control, they have been excluded from these financial statements.

NOTE 11 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSION

Plan Description and Funding Policy

The City administers a single employer defined benefit health care and life insurance plan. The plan provides lifetime healthcare and life insurance for eligible retirees and their dependents, as long as they pay the full premium, through the City's group health and life insurance plan, which covers both active and retired members. This conforms with the minimum requirement for governmental employers under Florida state law. The City's contributions to active employees is limited to a fixed dollar contribution as approved by the City Commission, and the City is not required to contribute any additional amounts to provide benefits. Funding is on a "pay as you go" basis. The plan does not issue a publicly available financial report.

Plan Membership

Membership of the plan consisted of the following at September 30, 2022 updated to September 30, 2023:

Active participants	90
Retirees, beneficiaries, and disabled members	28
Covered spouses	-
Total	118

Total OPEB Liability of the City

The City's total OPEB liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of September 30, 2022 updated to September 30, 2023.

NOTE 11 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (CONTINUED)

Actuarial Assumptions
The total OPEB liability was determined by an actuarial valuation as of September 30, 2022 updated to September 30, 2023 using the following actuarial assumptions:

Discount rate	4.87%
Healthcare cost trend rate	Initial rate of 7.25% in fiscal year, grading down to the ultimate trend rate of 4.00% in fiscal 2075
Inflation rate	2.50%
Salary increase	2.50% per year
Participation rate	100% participation assumed, with 50% electing spouse coverage

Mortality rates were based on the mortality tables used in the July 1, 2023 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

Discount Rate
Under GASB Statement No. 75, when there are currently no invested plan assets held in trust to finance the OPEB obligations, the discount rate equals the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. The rate used in the September 30, 2023 valuation was 4.87%.

Changes in the Total OPEB Liability of the City
The changes in the total OPEB liability of the City for the year ended September 30, 2023 were as follows:

	Total OPEB Liability
Balances at September 30, 2022	$ 959,957
Changes for the year:	
Service cost	50,917
Interest on the total OPEB liability	46,830
Differences between expected and actual experience	-
Changes in assumptions and other inputs	(11,752)
Benefit payments	(58,922)
Net changes	27,073
Balances at September 30, 2023	$ 987,030

The required schedule of changes in the City's total OPEB liability and related ratios in the required supplementary information immediately following the notes to the financial statements presents multi-year trend information about the total OPEB liability.

NOTE 11 – POST-EMPLOYMENT BENEFITS OTHER THAN PENSION (CONTINUED)

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

	1% Decrease 3.87%	Current Discount Rate 4.87%	1% Increase 5.87%
Total OPEB liability	$ 1,115,619	$ 987,030	$ 881,010

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rate
The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	1% Decrease 3.00% - 6.25%	Current Healthcare Cost Trend Rate	1% Increase 5.00% - 8.25%
Total OPEB liability	$ 949,695	$ 987,030	$ 1,030,121

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revisions as results are compared to past expectations and new estimates are made about the future. Actuarial calculations reflect a long-term perspective. Calculations are based on the substantive plan in effect as of September 30, 2023 and the current sharing pattern of costs between employer and inactive employees.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the year ended September 30, 2023, the City recognized OPEB expense of $13,735. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ 69,605
Changes in assumptions and other inputs	47,383	423,521
Total	$ 47,383	$ 493,126

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

Year ended September 30,	
2024	$ (84,011)
2025	(84,011)
2026	(70,679)
2027	(86,466)
2028	(63,140)
Thereafter	(57,436)
Total	$ (445,743)

NOTE 12 – COMMITMENTS AND CONTINGENCIES

Florida Municipal Power Agency - Power Sales and Project Support Contracts

The City is a member of the Florida Municipal Power Agency (FMPA) with a membership of 31 municipal electric systems. The City is a participant in FMPA's St. Lucie and All-Requirements Projects. The FMPA issued revenue bonds to acquire an ownership interest in the St. Lucie Project and the All-Requirements Project. FMPA has pledged its interest under certain Power Sales Contracts and Project Support Contracts entered into with the participants of the project as security for the bonds. Under the Power Sales Contract, the City has agreed to purchase its entitlement share of the generation capability of the St. Lucie and All-Requirements Projects along with the transmission services for any month electric capacity or energy was made available to the City.

The City's entitlement share totals approximately 2.2% of FMPA's entitlement in the St. Lucie Project and 2.1% of FMPA's entitlement in the All-Requirements Project. In the event payments are not required to be made for any month by the City under its Power Sales Contract because electric capacity and energy were not available, the City would be required to make monthly payments under its Project Support Contract equal to the payment which would have been required under the Power Sales Contract.

Payments under the Power Sales Contract are operating expenses of the electric system, but payments under the Project Support Contracts are not and, therefore, are to be made after payment of operating expenses, debt service and any other payments required to be made under debt instruments.

The City previously entered into a Capacity and Energy Sales Contract with certain other participants. Under this contract, the City agreed to sell the capacity and energy from its respective entitlement share of the project to certain purchasing systems. The purchasing systems agreed to purchase such capacity and energy and to provide back-up capacity and energy. The City remains obligated for payments pursuant to its Power Sales and Project Support Contracts. The City's pro rata share of the Agency's operating deficit for the year ended September 30, 2023 was not material in relation to the City's total electrical system expenditures.

Grants and Assistance

Activities of certain funds of the City are financed in whole or in part by various forms of grants and assistance, principally from Hendry County, the State of Florida, and the federal government. There can be no absolute assurance that such assistance will continue in the future at the present levels. Amounts received from grantor agencies are subject to audit or adjustment by grantor agencies. Also, any amounts disallowed could constitute liabilities of the applicable funds.

Litigation

The City, in accordance with the normal conduct of its affairs, is involved in various judgments, claims, and litigation. It is expected that the final settlement of these matters will not materially affect the financial statements of the City.

NOTE 13 – RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a member of a public entity risk pool which is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk. The pool provides coverage for property, liability, public officials' liability, workers' compensation, automobile physical damage, general liability, and automobile liability. The cost of the property and casualty insurance and workers' compensation is accounted for in the governmental activities and business-type activities of the City. There were no settled claims which exceeded insurance coverage during the past three fiscal years.

A loss fund is established to pay the self-insured retention amounts. Self-insured per occurrence limits are $100,000 for property and liability claims, $150,000 for workers' compensation, and $25,000 for crime related claims. Any claims in excess of these established limits are covered by aggregate excess or stop loss insurance. The City financial reporting entity is covered by Florida Statutes under the Doctrine of Sovereign Immunity, which effectively limits the liability of individual claims to $100,000/$200,000 for all claims relating to the same incident.

The City provides hospitalization and medical coverage through commercial insurance carriers.

Major uninsurable risks include damages to infrastructure assets and damages or governmental fines due to, pollution, or contamination of any kind. Since the amounts of loss cannot be reasonably estimated and the likelihood is undeterminable, no provision for such occurrences is included in these financial statements.

NOTE 14 – SUBSEQUENT EVENT

The City has evaluated all subsequent events through June 27, 2024 the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF CLEWISTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL GENERAL FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 2,016,018	$ 2,016,018	$ 1,983,949	$ (32,069)
Utility taxes	550,500	550,500	596,756	46,256
Business taxes	34,000	34,000	40,281	6,281
Communication services tax	187,666	187,666	210,902	23,236
Insurance premium tax	-	-	41,580	41,580
Licenses and permits	70,825	70,825	88,749	17,924
Intergovernmental revenues	3,142,853	7,265,708	6,938,464	(327,244)
Charges for services	1,510,695	1,510,695	1,508,695	(2,000)
Franchise fees	48,000	48,000	47,600	(400)
Fines and forfeitures	21,900	21,900	42,794	20,894
Investment earnings	20,000	20,000	85,650	65,650
Miscellaneous revenues	175,175	290,034	266,466	(23,568)
Total revenues	7,777,632	12,015,346	11,851,886	(163,460)
Expenditures				
Current				
General government	5,394,375	5,789,471	1,943,709	3,845,762
Public safety	3,287,095	3,303,101	3,397,598	(94,497)
Transportation	817,161	817,161	571,622	245,539
Physical environment	404,000	404,000	243,337	160,663
Economic environment	5,000	5,000	883	4,117
Culture and recreation	2,205,684	2,205,684	2,041,802	163,882
Human services	209,269	209,269	229,462	(20,193)
Debt service				
Principal retirement	61,249	61,249	61,248	1
Interest	2,708	2,708	2,691	17
Capital outlay	1,645,708	5,472,320	4,955,026	517,294
Total expenditures	14,032,249	18,269,963	13,447,378	4,822,585
Excess (deficiency) of revenues over (under) expenditures	(6,254,617)	(6,254,617)	(1,595,492)	4,659,125
Other financing sources				
Transfers in	6,254,617	6,254,617	1,637,484	(4,617,133)
Total other financing sources	6,254,617	6,254,617	1,637,484	(4,617,133)
Change in fund balance	-	-	41,992	41,992
Fund balance, beginning of year	3,839,407	3,839,407	3,839,407	-
Fund balance, end of year	$ 3,839,407	$ 3,839,407	$ 3,881,399	$ 41,992

CITY OF CLEWISTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
CLEWISTON REDEVELOPMENT AGENCY
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Property taxes	$ 179,064	$ 179,064	$ 179,064	$ -
Intergovernmental revenues	194,653	194,653	194,653	-
Investment earnings	1,000	1,000	10,873	9,873
Total revenues	374,717	374,717	384,590	9,873
Expenditures				
Current				
Economic environment	710,749	710,749	6,445	704,304
Total expenditures	710,749	710,749	6,445	704,304
Change in fund balance	(336,032)	(336,032)	378,145	714,177
Fund balance, beginning of year	338,230	338,230	338,230	-
Fund balance, end of year	$ 2,198	$ 2,198	$ 716,375	$ 714,177

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN

Reporting period ending Measurement date	9/30/2023 6/30/2023	9/30/2022 6/30/2022	9/30/2021 6/30/2021	9/30/2020 6/30/2020	9/30/2019 6/30/2019
City's proportion of the FRS net pension liability	0.0041211%	0.0034641%	0.0039837%	0.0022685%	0.0040771%
City's proportionate share of the FRS net pension liability	$ 1,642,160	$ 1,288,917	$ 300,921	$ 1,865,271	$ 1,404,107
City's covered payroll	$ 872,261	$ 713,907	$ 823,197	$ 749,992	$ 713,598
City's proportionate share of the pension liability as a percentage of its covered payroll	188.26%	180.54%	36.56%	248.71%	196.76%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%

Reporting period ending Measurement date	9/30/2018 6/30/2018	9/30/2017 6/30/2017	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
City's proportion of the FRS net pension liability	0.0048330%	0.0060161%	0.0063403%	0.0058306%	0.0058257%
City's proportionate share of the FRS net pension liability	$ 1,455,720	$ 1,779,521	$ 1,600,919	$ 753,103	$ 355,452
City's covered payroll	$ 732,313	$ 812,857	$ 844,735	$ 903,630	$ 815,567
City's proportionate share of the pension liability as a percentage of its covered payroll	198.78%	218.92%	189.52%	83.34%	43.58%
FRS Plan fiduciary net position as a percentage of the FRS total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM PENSION PLAN

Reporting period ending	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Contractually required FRS contribution	$ 204,606	$ 156,705	$ 149,720	$ 148,276	$ 124,336
FRS contributions in relation to the contractually required FRS contribution	204,606	156,705	149,720	148,276	124,336
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 871,805	$ 731,156	$ 738,920	$ 743,921	$ 695,971
FRS Contributions as a percentage of covered payroll	23.47%	21.43%	20.26%	19.93%	17.87%

Reporting period ending	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Measurement date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Contractually required FRS contribution	$ 160,758	$ 171,481	$ 171,537	$ 192,022	$ 167,764
FRS contributions in relation to the contractually required FRS contribution	160,758	171,481	171,537	192,022	167,764
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 732,313	$ 812,857	$ 844,735	$ 903,630	$ 815,567
FRS contributions as a percentage of covered payroll	21.95%	21.10%	20.31%	21.25%	20.57%

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PENSION PLAN

Reporting period ending Measurement date	9/30/2023 6/30/2023	9/30/2022 6/30/2022	9/30/2021 6/30/2021	9/30/2020 6/30/2020	9/30/2019 6/30/2019
City's proportion of the HIS net pension liability	0.0022017%	0.0019540%	0.0039837%	0.0022685%	0.0021367%
City's proportionate share of the HIS net pension liability	$ 349,661	$ 206,954	$ 278,268	$ 263,844	$ 293,073
City's covered payroll	$ 872,261	$ 713,907	$ 823,197	$ 749,992	$ 713,598
City's proportionate share of the pension liability as a percentage of its covered payroll	40.09%	28.99%	33.80%	35.18%	41.07%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%

Reporting period ending Measurement date	9/30/2018 6/30/2018	9/30/2017 6/30/2017	9/30/2016 6/30/2016	9/30/2015 6/30/2015	9/30/2014 6/30/2014
City's proportion of the HIS net pension liability	0.0022799%	0.0025926%	0.0027198%	0.0028721%	0.0028899%
City's proportionate share of the HIS net pension liability	$ 241,308	$ 277,209	$ 316,979	$ 292,906	$ 270,213
City's covered payroll	$ 732,313	$ 2,325,831	$ 844,735	$ 903,630	$ 2,286,632
City's proportionate share of the pension liability as a percentage of its covered payroll	32.95%	11.92%	37.52%	32.41%	11.82%
HIS Plan fiduciary net position as a percentage of the HIS total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PENSION PLAN

Reporting period ending	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019
Measurement date	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019
Contractually required HIS contribution	$ 15,154	$ 12,140	$ 12,804	$ 12,892	$ 11,572
HIS contributions in relation to the contractually required HIS contribution	15,154	12,140	12,804	12,892	11,572
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 871,805	$ 731,156	$ 738,920	$ 743,921	$ 695,971
HIS contributions as a percentage of covered payroll	1.74%	1.66%	1.73%	1.73%	1.66%

Reporting period ending	9/30/2018	9/30/2017	9/30/2016	9/30/2015	9/30/2014
Measurement date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014
Contractually required HIS contribution	$ 12,156	$ 13,493	$ 14,023	$ 12,283	$ 9,902
HIS contributions in relation to the contractually required HIS contribution	12,156	13,493	14,023	12,283	9,902
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 0	$ 812,857	$ 844,735	$ 903,630	$ 815,567
HIS contributions as a percentage of covered payroll	5537514.04%	1.66%	1.66%	1.36%	1.21%

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS − PENSION TRUST FUND

	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023
Total pension liability									
Interest on total pension liability	$ 772,612	$ 786,296	$ 822,797	$ 831,801	$ 886,595	$ 895,190	$ 875,054	$ 890,341	$ 870,717
Differences between expected and actual experience	(81,151)	(295,687)	(183,367)	514,628	(165,205)	(151,332)	(21,751)	(557,161)	(464,056)
Changes in assumptions	373,079	94,020	-	-	-	532,168	-	392,786	-
Benefit payments, including refunds of member contributions	(438,937)	(467,103)	(491,350)	(530,225)	(597,092)	(600,119)	(604,047)	(632,196)	(637,995)
Net change in total pension liability	625,603	117,526	148,080	816,204	124,298	675,907	249,256	93,770	(231,334)
Total pension liability - beginning	11,256,782	11,882,385	11,999,911	12,147,991	12,964,195	13,088,493	13,764,400	14,013,656	14,107,426
Total pension liability - ending (a)	$ 11,882,385	$ 11,999,911	$ 12,147,991	$ 12,964,195	$ 13,088,493	$ 13,764,400	$ 14,013,656	$ 14,107,426	$ 13,876,092
Plan fiduciary net position									
Contributions - employer	$ 126,960	$ 122,907	$ 106,286	$ 81,053	$ 79,681	$ 47,861	$ 68,106	$ 12,847	$ 61,911
Net investment income	(19,352)	1,105,728	1,389,749	1,175,403	403,680	1,227,936	2,950,660	(3,237,030)	1,911,975
Benefit payments, including refunds of employee contributions	(438,937)	(467,103)	(491,350)	(530,225)	(597,092)	(600,119)	(604,047)	(632,196)	(637,995)
Administrative expenses	(8,373)	(17,020)	(8,812)	(8,994)	(8,647)	(9,136)	(8,677)	(8,527)	(8,311)
Net change in plan fiduciary net position	(339,702)	744,512	995,873	717,237	(122,378)	666,542	2,406,042	(3,864,906)	1,327,580
Plan fiduciary net position - beginning	10,436,417	10,096,715	10,841,227	11,837,100	12,554,337	12,431,959	13,098,501	15,504,543	11,639,637
Plan fiduciary net position - ending (b)	$ 10,096,715	$ 10,841,227	$ 11,837,100	$ 12,554,337	$ 12,431,959	$ 13,098,501	$ 15,504,543	$ 11,639,637	$ 12,967,217
City's net pension liability (asset) - ending (a) - (b)	$ 1,785,670	$ 1,158,684	$ 310,891	$ 409,858	$ 656,534	$ 665,899	$ (1,490,887)	$ 2,467,789	$ 908,875
Plan fiduciary net position as a percentage of the total pension liability	84.97%	90.34%	97.44%	96.84%	94.98%	95.16%	110.64%	82.51%	93.45%
Covered payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
City's net pension liability (asset) as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
PENSION TRUST FUND

	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023
Actuarially determined contribution	$ 75,515	$ 122,907	$ 106,286	$ 81,053	$ 79,681	$ 47,861	$ 68,106	$ 12,847	$ 61,911
Contributions in relation to the actuarially determined contribution	126,690	122,907	106,286	81,053	79,681	47,861	68,106	12,847	61,911
Contribution deficiency (excess)	$ (51,175)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes to the Schedule:

Valuation date:	October 1, 2023
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.
Amortization method:	Level percentage of pay, closed.
Remaining amortization period:	2 years (as of 10/1/2023).
Mortality:	PUB-2010 Weighted General Below Median Employee for females. PUB-2010 Headcount Weighted General Below Median Employee for males, set back 1 year.
Interest rate:	6.50% per year, compounded annually, net of investment-related expenses.
Retirement age:	Actives: Earlier of age 62 with 10 years of service or age 65 with 5 years of participation. Inactives: Normal Retirement Date.
Early retirement:	Commencing with the earliest early retirement age (50), members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Disability and termination rates:	1987 Commissioner's Group Disability Table.
Salary increases:	None.
Payroll growth:	None.
Asset valuation method:	The actuarial value of assets equals the fair market value as of the valuation date (including any discounted receivable contributions), plus 2/3 of the actual earnings munus expected earnings for the preceding 12 months (plan year), plus 1/3 of the actual earnings minus expected earnings for the 12 months (plan year) preceding that date, as described in Internal Revenue Notice 2009-22. The actuarial value of assets is adjusted to be within 90-110% of the fair market value on the valuation date.

The schedule will present 10 years of information once it is accumulated.

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF PENSION INVESTMENT RETURNS
PENSION TRUST FUND

	9/30/2015	9/30/2016	9/30/2017	9/30/2018	9/30/2019	9/30/2020	9/30/2021	9/30/2022	9/30/2023
Pension Trust Fund:									
Annual money-weighted rate of return, net of investment expenses	-0.19%	11.16%	13.17%	10.20%	3.29%	10.13%	23.04%	-21.37%	16.76%

Notes to the Schedules:

The schedules will present 10 years of information once it is accumulated.

CITY OF CLEWISTON, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS

Measurement year ended September 30,	2023	2022	2021	2020	2019	2018
Total OPEB liability						
Service cost	$ 50,917	$ 82,383	$ 85,524	$ 80,648	$ 68,747	$ 75,716
Interest on the total OPRB liability	46,830	33,780	29,729	53,248	53,249	47,588
Differences between expected and actual experience	-	(20,097)	-	(109,064)	-	-
Changes of assumptions	(11,752)	(415,873)	(57,421)	(77,548)	126,356	(106,702)
Benefit payments	(58,922)	(55,631)	(51,992)	(48,519)	(44,925)	(41,406)
Net change in total OPEB liability	27,073	(375,438)	5,840	(101,235)	203,427	(24,804)
Total OPEB liability - beginning	959,957	1,335,395	1,329,555	1,430,790	1,227,363	1,252,167
Total OPEB liability - ending	$ 987,030	$ 959,957	$ 1,335,395	$ 1,329,555	$ 1,430,790	$ 1,227,363
Covered-employee payroll	$ 4,051,207	$ 3,952,397	$ 4,084,172	$ 3,984,558	$ 3,815,585	$ 3,722,522
City's total OPEB liability as a percentage of covered-employee payroll	24.36%	24.29%	32.70%	33.37%	37.50%	32.97%

Notes to the Schedule:
The schedule will present 10 years of information once it is accumulated.

There are no assets accumulated in a trust to pay related benefits for the OPEB plan.

Changes of assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used each period:

Fiscal Year Ending September 30, 2023:	4.87%
Fiscal Year Ending September 30, 2022:	4.77%
Fiscal Year Ending September 30, 2021:	2.43%
Fiscal Year Ending September 30, 2020:	2.14%
Fiscal Year Ending September 30, 2019:	3.58%
Fiscal Year Ending September 30, 2018:	4.18%
Fiscal Year Ending September 30, 2017:	3.64%

OTHER SUPPLEMENTARY INFORMATION

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CITY OF CLEWISTON, FLORIDA

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL GRANTS FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental revenues	$ 288,764	$ 288,764	$ 149,533	$ (139,231)
Investment earnings	300	300	733	433
Total revenues	289,064	289,064	150,266	(138,798)
Expenditures				
Current				
Culture/recreation	289,064	289,064	141,098	147,966
Capital outlay	-	-	9,168	(9,168)
Total expenditures	289,064	289,064	150,266	138,798
Change in fund balance	-	-	-	-
Fund balance (deficit), beginning of year	(520)	(520)	(520)	-
Fund balance (deficit), end of year	$ (520)	$ (520)	$ (520)	$ -

CITY OF CLEWISTON, FLORIDA

SCHEDULE OF REVENUES AND EXPENSES
WATER AND SEWER FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Water System	Sewer System	Total
Operating revenues			
Charges for services	$ 2,436,215	$ 1,947,128	$ 4,383,343
Impact fees	51,133	600	51,733
Total operating revenues	2,487,348	1,947,728	4,435,076
Operating expenses			
Personal services	427,294	412,027	839,321
Contractual services	286,759	269,535	556,294
Supplies	206,216	161,007	367,223
Utilities	371,964	220,165	592,129
Insurance	30,251	20,125	50,376
Repairs and maintenance	312,224	521,751	833,975
Depreciation	522,689	320,358	843,047
Miscellaneous	(5,140)	(1,121)	(6,261)
Total operating expenses	2,152,257	1,923,847	4,076,104
Operating income	335,091	23,881	358,972
Nonoperating revenues (expenses)			
Investment earnings	130,878	80,215	211,093
Gain on disposal of capital assets	1,674	1,026	2,700
Interest expense	(476,808)	(6,288)	(483,096)
Total nonoperating revenues (expenses)	(344,256)	74,953	(269,303)
Income (loss) before transfers and capital contributions	(9,165)	98,834	89,669
Capital contributions	1,478,712	906,307	2,385,019
Transfers out	(214,354)	(131,378)	(345,732)
Changes in net position	$ 1,255,193	$ 873,763	$ 2,128,956

CITY OF CLEWISTON, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Pension Trust Fund	Firefighters Pension Trust Fund	Total
Assets			
Receivables			
Contributions	$ 61,911	$ 216,022	$ 277,933
Investments at fair value	12,905,306	125,038	13,030,344
Total assets	12,967,217	341,060	13,308,277
Net position			
Restricted for pension benefits	$ 12,967,217	$ 341,060	$ 13,308,277

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust Fund	Firefighters Pension Trust Fund	Total
Additions			
Contributions			
Employer	$ 61,911	$ 174,442	$ 236,353
Employee	-	19,994	19,994
State	-	41,580	41,580
Investment income			
Interest and dividends	1,911,975	12,240	1,924,215
Total additions	1,973,886	248,256	2,222,142
Deductions			
Pension benefits	637,995	13,151	651,146
Administrative expenses	8,311	11,564	19,875
Total deductions	646,306	24,715	671,021
Change in net position	1,327,580	223,541	1,551,121
Net position, beginning of year	11,639,637	117,519	11,757,156
Net position, end of year	$ 12,967,217	$ 341,060	$ 13,308,277

The notes to the financial statements are an integral part of these statements.

CITY OF CLEWISTON, FLORIDA

SCHEDULE TO DETERMINE COMPLIANCE WITH INTERLOCAL FIRE PROTECTION AGREEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2023

Departmental expenditures of revenues, expenditures, and changes in fund balances of governmental funds		
Expenditures - current		
Public safety		
Fire	$	840,014
Less first responder costs to be paid by Hendry County		-
Total fire department expenditures, as adjusted		840,014
Hendry County's reimbursement percentage of fire department expenditures per agreement		65%
Portion of fire department expenditures to be paid by Hendry County		417,571
Year 5 of 5 allocation of fiscal year 2018 capital expenditures		9,887
Total fire and first responder expenditures to be reimbursed by Hendry County		500,324
Total previously received from Hendry County for fire services		271,578
Amount due from Hendry County for the fiscal year ended September 30, 2023	$	228,746

CITY OF CLEWISTON, FLORIDA

SCHEDULE TO DETERMINE COMPLIANCE WITH INTERLOCAL ANIMAL CONTROL AGREEMENT FOR THE YEAR ENDED SEPTEMBER 30, 2023

Departmental expenditures of revenues, expenditures, and changes in fund balances of governmental funds		
Expenditures - current		
Human services		
Animal control	$	248,902
Hendry County's reimbursement percentage of animal control expenditures per agreement		67%
Portion of animal control expenditures to be paid by Hendry County		166,764
Total previously received from Hendry County for animal control services		116,821
Amount due from Hendry County for the fiscal year ended September 30, 2023	$	49,943

OTHER REPORTS

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MAULDIN & JENKINS

CPAs & ADVISORS

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 Commission,
City of Clewiston, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Clewiston, 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 June 27, 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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*.

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 City'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.

Mauldin & Jenkins, LLC

Bradenton, Florida
June 27, 2024

MAULDIN & JENKINS

CPAs & ADVISORS

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

Honorable Mayor and Members of
the City Commission,
City of Clewiston, 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 Clewiston, 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 *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 financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects 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; 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. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's 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 generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance 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 as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, 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, 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.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a 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.

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

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

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

Mauldin & Jenkins, LLC

Bradenton, Florida
June 27, 2024

CITY OF CLEWISTON, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023

	Assistance Listing/ CSFA Number	Grant ID Number	Actual Expenditures
Federal Awards			
Department of Treasury			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5056	$ 838,833
Total Department of Treasury			838,833
Department of Homeland Security			
Passed through the Florida Division of Emergency Management			
Disaster Grants - Public Assistance	97.036	Z3254	145,405
Total Department of Homeland Security			145,405
Department of Justice			
Edward Byrne Memorial Justice Assistance	16.738	15-PBJA-21-GG-00241-MUMU	28,370
Bullet Proof Vest Partnership	16.607	2020BUBX20020626	1,300
Total Department of Justice			29,670
Total Expenditures of Federal Awards			$ 1,013,908
State Financial Assistance			
Florida Department of Environmental Protection			
Passed through South Florida Water Management District			
Statewide Water Quality Restoration Projects	37.039	LPQ0027	$ 13,876
Statewide Water Quality Restoration Projects	37.039	LPA0266	133,126
Small Community Wastewater Facility Grant	37.075	WW260421	1,367,607
Total Florida Department of Environmental Protection			1,514,609
Florida Department of State			
State Aid to Libraries Grant	45.030	22-ST-18	144,128
State Aid to Libraries Grant	45.030	23-ST-18	5,405
Total Florida Department of State			149,533
Florida Department of Transportation			
Local Transportation Projects	55.039	G1L00	1,660,283
Local Transportation Projects		G1L00 (Supplemental)	2,429,325
Total Florida Department of Transportation			4,089,608
Total Expenditures of State Financial Assistance			$ 5,753,750

Notes to the Schedule

The above Schedule is presented using the modified accrual basis of accounting and is presented in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. As such, some amounts presented in this schedule may differ from amounts in, or used in the preparation of the basic financial statements.

CITY OF CLEWISTON, FLORIDA

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FOR THE YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 – REPORTING ENTITY

For reporting entity purposes, the schedule of expenditures of federal awards and state financial assistance includes all the activities of the City of Clewiston's primary government and its blended component unit. The City had no discretely presented component units.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
The schedule of expenditures of federal awards and state financial assistance is prepared using the accrual basis of accounting. The determination of when an award is expended is based on when the activity related to the award occurred.

Program Type Determination
Type A programs are defined as federal programs with federal expenditures exceeding the larger of $750,000 or 3% of total federal expenditures. The threshold of $750,000 was used in distinguishing between Type A and Type B programs.

State major programs are defined as those programs that the larger of $750,000 or 3% of total state financial assistance. The threshold of $750,000 was used in distinguishing between Type A and Type B programs.

Method of Major Program Selection
The risk-based approach was used in the selection of federal and state programs to be tested as major programs. The City did not qualify as a low-risk auditee for the fiscal year ended September 30, 2023.

De-Minimis Indirect Cost Rate
During 2023, the City did not use the de-minimis indirect cost rate.

NOTE 3 – STATE REVOLVING FUND LOANS

The City had the following State Revolving Fund loan balances outstanding at September 30, 2023. Current year additions to the loan balances to be included in the schedule of expenditures of federal awards and state financial assistance for the fiscal year ended September 30, 2023 were $-.

Program Title	Federal Assistance Listing/ State CSFA Number	Grant Number	Total Outstanding As of September 30, 2023
State Revolving Fund	66.458	WW260400	$ 292,693
State Revolving Fund	66.458	WW260401	146,189
State Revolving Fund	37.077	WW260410	533,788
State Revolving Fund	37.077	WW260420	189,610
State Revolving Fund	37.077	WW260421	403,819
			$ 1,566,099

NOTE 4 – SUBRECIPIENTS

The City provided state financial assistance to subrecipients as follows:

Program Title	State CSFA Number	Grant Number	Amount Transferred to Subrecipient
State Aid to Librarites Grant	45.030	22-ST-18	
Harlem Public Library		23-ST-18	$ 27,246
Barron Public Library			27,359
			$ 54,605

CITY OF CLEWISTON, FLORIDA

SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SECTION I
SUMMARY OF AUDIT RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified	
Internal control over financial reporting: Material weaknesses identified?	____ yes	__X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes	__X__ none reported
Noncompliance material to financial statements noted?	____ yes	__X__ no

Federal Programs and State Financial Assistance Projects

Internal Control over major federal or state programs: Material weaknesses identified?	____ yes	__X__ no
Significant deficiencies identified not considered to be material weaknesses?	____ yes	__X__ none reported
Type of auditor's report issued on compliance for major federal programs and state financial assistance projects:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance (2 CFR 200.516(a)) and Chapter 10.550, Florida Statutes?	____ yes	__X__ no

Identification of major federal program:

AL Number	Name of Federal Program or Cluster
21.027	U.S. Department of the Treasury – Coronavirus State and Local Fiscal Recovery Funds

Identification of major state financial assistance projects:

CSFA Number	Name of State Project or Cluster
37.075	Small Community Wastewater Facility Grant
55.039	Local Transportation Projects

Dollar threshold used to distinguish between Type A and Type B federal programs:	$750,000	
Dollar threshold used to distinguish between Type A and Type B state awards:	$750,000	
Auditee qualified as a low-risk auditee?	____ yes	__X__ no

CITY OF CLEWISTON, FLORIDA

SUMMARY SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SECTION II
FINANCIAL STATEMENT FINDINGS AND RESPONSES

None noted.

SECTION III
FEDERAL AWARDS AND STATE PROJECTS FINDINGS AND QUESTIONED COSTS

None noted.

CITY OF CLEWISTON, FLORIDA

SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

None reported.

MAULDIN & JENKINS

CPAs & ADVISORS

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Members of
the City Commission,
City of Clewiston, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Clewiston, Florida (the "City"), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 27, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and On Internal Control over Compliance Required by the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, Schedule of Findings and Questioned Costs, and Independent Accountant's 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 June 27, 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. Finding 2021-001 was resolved in fiscal year 2023.

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. This information is disclosed within the City's footnotes.

Financial Condition

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

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

Additional Matters

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

Purpose of this Letter

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

Mauldin & Jenkins, LLC

Bradenton, Florida
June 27, 2024

MAULDIN & JENKINS

CPAs & ADVISORS

INDEPENDENT ACCOUNTANT'S REPORT

Honorable Mayor and Members of
the City Commission,
City of Clewiston, Florida

We have examined the City of Clewiston, 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 those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 judgement, 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 examination 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 the aforementioned requirements 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.

Mauldin & Jenkins, LLC

Bradenton, Florida
June 27, 2024

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CITY OF CLEWISTON

115 WEST VENTURA AVENUE
CLEWISTON, FL 33440

TELEPHONE 983-1484
AREA CODE 863

FAX 983-4055
AREA CODE 863

IMPACT FEE AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared Randy Martin, who being duly sworn, deposes and says on oath that:

1. I am the City Manager of the City of Clewiston which is a local government entity of the State of Florida.

2. The governing body of the City of Clewiston adopted Ordinance No. 87-1 implementing an impact fee.

3. The City of Clewiston has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Danny Williams, City Manager
City of Clewiston

STATE OF FLORIDA
COUNTY OF HENDRY

Sworn to and subscribed before me this 27th day of June, 2024.

ROBBRETTA WEEKLEY
NOTARY PUBLIC
MY COMMISSION
EXPIRES 10-30-2027
STATE OF FLORIDA
COMMISSION NUMBER HH 460010

Robbretta Weekley
NOTARY PUBLIC, STATE OF FLORIDA
Print Name Robbretta Weekley

Personally known ✓ or produced identification _____
Type of identification produced: _____

My Commission Expires: 10/30/2027