





FLORIDA'S CAPITAL CITY

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023







CITY OF TALLAHASSEE

CITY OF TALLAHASSEE, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For The Fiscal Year Ended
September 30, 2023

CITY OF
TALLAHASSEE

PREPARED BY:

Financial Reporting Division
Financial Services Department

CITY OF TALLAHASSEE, FLORIDA

CITY COMMISSION

JOHN E. DAILEY, Mayor

DIANNE WILLIAMS-COX, Pro Tem, **JEREMY MATLOW, Commissioner**

CURTIS RICHARDSON, Commissioner **JACQUELINE PORTER, Commissioner**

REESE GOAD, City Manager

CYNTHIA BARBER, Deputy City Manager

CHRISTIAN DOOLIN
Assistant City Manager

WAYNE TEDDER
Assistant City Manager

KAREN JUMONVILLE
Assistant City Manager

ABENA OJETAYO
Assistant City Manager

DENNIS R. SUTTON
Inspector General

JIM COOKE
City Treasurer-Clerk

AMY TOMAN
City Attorney

CITY OF TALLAHASSEE, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FISCAL YEAR ENDED SEPTEMBER 30, 2023

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CITY OF TALLAHASSEE

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INTRODUCTORY SECTION

Letter of Transmittal

Government Finance Officers Association Certificate of Achievement

Organizational Chart List of Elected and Appointed Officials and Directors

List of Financial Reporting Staff

CITY OF TALLAHASSEE

April 26, 2024

Honorable Mayor, Commissioners, City Manager, and the citizens of the City of Tallahassee, Florida

The Annual Comprehensive Financial Report of the City of Tallahassee, Florida, for the fiscal year ended September 30, 2023, is hereby submitted pursuant to Section 11.45, Florida Statutes and Chapter 10.550 of the Rules of the Auditor General of the State of Florida. This report represents the official report of the City's financial operations and condition to the citizens, City Commission, City management, rating agencies, and other interested persons.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, but not absolute, assurance that the financial statements are free of any material misstatements.

The certified public accounting firm of MSL, P.A. has issued an unmodified opinion on the City's financial statements for the year ended September 30, 2023. The independent auditors' report is located at the front of the financial section of this report.

The City is also required to undergo an annual audit to obtain reasonable assurance about compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs and state projects. These independent auditors' reports are presented in the single audit section of this report.

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

PROFILE OF THE CITY

Tallahassee, the capital city of Florida, was incorporated in 1825, twenty years before Florida was admitted to the Union. The city is governed by a mayor and four Commissioners elected at-large.

The City Commission appoints the City Manager, the City Treasurer-Clerk, the City Inspector General, and the City Attorney. Collectively the appointed officials are responsible for all administrative aspects of the government, with most falling under the purview of the City Manager.

The city provides a full range of municipal services. These services include public safety (police and fire), construction and maintenance of streets and sidewalks, stormwater management, recreation, planning and zoning, general administrative services, five utilities (electric, gas, water, sewer, and solid waste collection), a mass transit bus system, and an international airport.

The Commission is required to adopt a final budget no later than the close of the fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is approved at the fund level. Transfers between funds require approval by the Commission.

CITY HALL
300 South Adams Street
Tallahassee, FL 32301-1731
850-891-0000
TDD: 711 • Talgov.com

JOHN E. DAILEY, Mayor
REESE GOAD, City Manager

CURTIS RICHARDSON, Mayor Pro Tem
AMY M. TOMAN, City Attorney

JACQUELINE "JACK" PORTER, Commissioner
JAMES O. COOKE, IV, City Treasurer-Clerk

JEREMY MATLOW, Commissioner
DENNIS R. SUTTON, Inspector General

DIANNE WILLIAMS-COX, Commissioner

The budget process is a formalized annual occurrence that involves input, collaboration, and coordination between the respective City departments, the Office of Resource Management, the executive team, the City Commission, and the citizens of Tallahassee.

A budget review team composed of various members of the leadership and executive teams is established to set budget direction and priorities for the City. Annually, issues are selected by the City Commission to represent those programs and community needs, which are to be given priority attention during the year.

Prior to the development of the budget citizen input is solicited, using a citizen survey, on any program changes as well as on performance of all major programs.

FACTORS AFFECTING FINANCIAL CONDITION

The economy of Leon County is strongly influenced by governmental and educational activities. The presence of the State Capital and two major universities help to shape Leon County's population as relatively young, well educated, and affluent.

Leon County is a racially diverse community. Minorities account for 39.2% of the population, with African- Americans comprising 32.5%.

Leon County residents have historically attained a very high level of education. Forty seven percent of area residents aged 25 or older have completed at least four years of college.

The 2018-2022 American Community Survey 5-year estimates report median family income in Leon County is $61,317, which is comparable to the national median.

The level of governmental employment has a stabilizing effect on the economy and helps to minimize unemployment. In November 2023, the unemployment rate was 3.1% in the city as compared to the State's unemployment rate of 2.9%. The percentage of employees employed by local, state, and federal government is approximately 31.05% of the work force. The unemployment rate is one of many economic indicators utilized to evaluate the condition of the economy.

POPULATION GROWTH

Population growth trends for Leon County are presented in the following table:

Year	Tallahassee	Unincorporate	Leon
1960	48,174	26,051	74,225
1970	71,897	31,150	103,047
1980	81,548	67,107	148,655
1990	124,773	67,720	192,493
2000	150,624	88,828	239,452
2010	181,736	94,111	275,487
2020	196,169	96,029	292,198
2025	208,600	98,000	306,600
2030	217,800	99,400	317,200
2035	225,400	100,700	326,100
2040	231,100	101,600	332,700
2045	236,000	102,300	338,300
2050	240,300	103,000	343,300

CONSTRUCTION TRENDS

Residential Construction

Single-family residential building permits in Leon County were up 7% in fiscal year 2023, following a 30% decrease in fiscal year 2022. Permits for multi-family units jumped 81% in fiscal year 2023 following a 46% increase in fiscal year 2022. Year-over-year new multi-family construction can be volatile given the number of units included in each development.

Commercial Development

In fiscal year 2023 nearly $116 million in new commercial construction was permitted in Leon County, below the approximately $270 million permitted in fiscal year 2022 (which was fueled by the $165 million, 634,812 square foot Amazon Fulfillment Center).

Large new commercial construction permits in fiscal year 2023 include a $39 million, 140,000 square foot Danfoss Turbocor Expansion, a $23.5 million, 124,000 square foot Amazon warehouse/distribution facility, and a $10 million, 17,000 square foot Tallahassee Orthopedic Clinic Spine and Joint Replacement Surgical Center.

MILLAGE RATES

As indicated below, the city had the lowest millage rate of the comparable largest cities in Florida for 2023 and 2022. Tallahassee's low and stable millage rate should act as an incentive to economic growth and stability.

Comparable City	Millage Rate	
	2023	2022
Clearwater	5.89	5.96
Daytona	5.43	5.53
Fort Lauderdale	4.40	4.38
Gainesville	5.5	5.5
Hollywood	7.47	7.47
Lakeland	5.43	5.43
Largo	5.52	5.58
Orlando	6.65	6.65
Pensacola	4.29	4.29
Tallahassee	**4.1**	**4.1**
West Palm Beach	8.20	8.35

LONG-TERM FINANCIAL PLANNING

The financial viability of the City continues to be a high priority for the City Commission and management. An integral part of the budgeting process is the development of the City's Five-Year Financial Plan (the Plan). The Plan is updated annually during the budget process and serves as a blueprint for decision-making and allows for flexibility to address issues as they arise.

The Plan resulted in an approved fiscal year 2023 operating budget of $826.8 million and an approved capital budget of $205.4 million. The Plan for the ensuing five years (including 2023) results in projected capital expenditures of approximately $1 billion.

AWARDS AND ACKNOWLEDGEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tallahassee, Florida for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2022. The Certificate of Achievement is a prestigious national award that recognizes conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, the City must publish an annual comprehensive financial report, whose contents satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for a new certificate.

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Financial Reporting Division who participated in the compilation of the report. We would also like to thank the members of the City Commission for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

Respectfully submitted,



Christian Doolin
Assistant City Manager



Patrick Twyman
Director of Financial Services

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Tallahassee
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morrill

Executive Director/CEO

CITY OF TALLAHASSEE

ORGANIZATIONAL VALUES

- *Honor public trust through ethical behavior*
- *Provide exceptional citizen service*
- *Lead with integrity at every level*
- *Collaborate to reach common goals*
- *Invest in employee excellence*
- *Promote equity and celebrate diversity*





MEMBERS OF THE CITY COMMISSION (L TO R):
Commissioner Jeremy Matlow
Commissioner Dianne Williams-Cox
Mayor John E. Dailey
Commissioner Jacqueline "Jack" Porter
Mayor Pro Tem Curtis Richardson



REESE GOAD
CITY MANAGER



DENNIS R. SUTTON
INSPECTOR GENERAL



AMY M. TOMAN
CITY ATTORNEY



JIM COOKE
CITY TREASURER-CLERK



CHRISTIAN DOOLIN
ASSISTANT CITY MANAGER



ABENA OJETAYO
ASSISTANT CITY MANAGER



CYNTHIA BARBER
DEPUTY CITY MANAGER



WAYNE TEDDER
ASSISTANT CITY MANAGER



KAREN JUMONVILLE
ASSISTANT CITY MANAGER



ANGELA HENDRIETH
CHIEF DIVERSITY OFFICER
OFFICE OF DIVERSITY & INCLUSION



TONY GUILLEN
GENERAL MANAGER
ELECTRIC & GAS UTILITY



ALISON FARIS
DIRECTOR
COMMUNICATIONS



JAMES BARNES
CHIEF CUSTOMER OFFICER
CUSTOMER OPERATIONS



PATRICK TWYMAN
DIRECTOR
FINANCIAL SERVICES



TIM DAVIS
DIRECTOR
TECHNOLOGY & INNOVATION



VERONICA McCRACKIN
DIRECTOR
PROCUREMENT



THOMAS WHITLEY
DIRECTOR
STRATEGIC INNOVATION



ROBERTA McMANUS
DIRECTOR
GRANTS & ENTERPRISE RESOURCES



ROBERT WIGEN
DIRECTOR
RESOURCE MANAGEMENT



ROB McGARRAH
INTERIM DIRECTOR
HUMAN RESOURCES



ANGELA BALDWIN
DIRECTOR
STARMETRO



KIMBALL THOMAS
DIRECTOR
HOUSING & COMMUNITY RESILIENCE



JEFF SHEPARD
DIRECTOR
FLEET



ASHLEY EDWARDS
DIRECTOR
PARKS, RECREATION & NEIGHBORHOOD AFFAIRS



LAWRENCE REVELL
CHIEF OF POLICE



JOHN POWELL
DIRECTOR
CITY CONSTRUCTION



DAVID ODOM
DIRECTOR
CDA



GENE SANDERS
CHIEF OF FIRE



REGINALD OFUANI
DIRECTOR
COMMUNITY BEAUTIFICATION & WASTE MANAGEMENT



DAVID POLLARD
DIRECTOR
AVIATION



ARTIE WHITE
DIRECTOR
PLACE



UBIE BRANTLEY
DIRECTOR
FACILITIES



GENERAL MANAGER
GOLF COURSES



JOHN REDDICK
DIRECTOR
GROWTH MANAGEMENT



ALISSA MEYERS
DIRECTOR
ENVIRONMENTAL SERVICES



STEVE SHAFER
DIRECTOR
UNDERGROUND UTILITIES & PUBLIC INFRASTRUCTURE

V1.53

CITY OF TALLAHASSEE, FLORIDA
LISTING OF CITY OFFICIALS AND DIRECTORS

Elected Officials

Mayor ..... John E. Dailey
Mayor Pro Tem ..... Dianne Williams-Cox
Commissioner ..... Curtis Richardson
Commissioner ..... Jacqueline "Jack" Porter
Commissioner ..... Jeremy Matlow

Appointed Officials

City Manager ..... Reese Goad
City Treasurer-Clerk ..... Jim Cooke
City Attorney ..... Amy Toman
Inspector General ..... Dennis R. Sutton

Deputy City Manager and Assistant City Managers

Deputy City Manager ..... Cynthia Barber
Assistant City Manager ..... Christian Doolin
Assistant City Manager ..... Karen Jumonville
Assistant City Manager ..... Abena Ojetayo
Assistant City Manager ..... Wayne Tedder

Department Directors

Aviation - Director ..... David Pollard
City Construction - Director ..... John Powell
Communications - Director ..... Alison Faris
Community Beautification & Waste Management - Director ..... Reginald Ofuani
Community Redevelopment Agency - Director ..... Stephen Cox
Customer Operations - Chief Customer Officer ..... James Barnes
Diversity & Inclusion - Chief Diversity Officer ..... Angela Hendrieth
Electric & Gas Utility - General Manager ..... Tony Guillen
Environmental Services - Director ..... Alissa Meyers
Financial Services - Director ..... Patrick Twyman
Facilities - Director ..... Ubie Brantley
Fire Chief ..... Gene Sanders
Fleet - Director ..... Jeff Shepard
Golf Courses - General Manager ..... Jan Auger
Grants & Enterprise Resources - Director ..... Roberta McManus
Growth Management - Director ..... John Reddick
Housing & Community Resilience - Director ..... Kimball Thomas
Human Resources - Interim Director. ..... Rob McGarrah
Parks, Recreation & Neighborhood Affairs - Director ..... Ashley Edwards
PLACE - Director ..... Artie White
Police Chief ..... Lawrence Revell
Procurement - Director ..... Veronica McCrackin
Resource Management - Director ..... Robert Wigen
StarMetro - Director ..... Angela Baldwin
Strategic Innovation - Director ..... Thomas Whitley
Technology & Innovation - Director ..... Tim Davis
Underground Utilities & Public Infrastructure - Director ..... Steve Shafer

The Annual Comprehensive Financial Report for the City of Tallahassee, Florida was produced by the combined efforts of the Financial Reporting Division of the Financial Services Department as well as the accounting staff of the Tallahassee International Airport and the Grants Management Division. The following staff had primary responsibility for preparing and ensuring the accuracy of this report.

Assistant City Manager
Christian Doolin

Director of Financial Services
Patrick Twyman

Director of Grants & Enterprise Resources
Roberta McManus, CPA

Manager, Financial Reporting
Rita Stevens, CPA

Financial Reporting Staff

Linda Caines, CGFM	Lajja Patel, CGFM	Julie Paniucki	Angela Roberts
Emerson Thompson	Latrenda Johnson	Kereen Jones	Josalind Williams
Lynda Hutto	Vernessa McMillon	Siuhang Man	Ben Halvorsen, CPA*
Shenika McNear^	Kristina Seymour^	Kravien White^	

***** Tallahassee International Airport Staff
^Grants Management Staff



CITY OF TALLAHASSEE

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FINANCIAL SECTION

Independent Auditors' Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining Financial Statements

Supplementary Information



INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Auditor's Responsibility 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.

Emphasis-of-Matter

As discussed in Note IV.G. to the financial statements, in the year ended September 30, 2023, the City adopted the provisions of Government Accounting Standards Board Statement ("GASBS") Number 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Required Supplementary Information (other than MD&A), as listed in the table of contents, 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.

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

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 as a whole. The combining financial statements and the supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements and schedules and the other supplemental information are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements and the supplementary information are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated April 26, 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 to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

MSL, P.A.
Certified Public Accountants

Tallahassee, Florida
April 26, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
(unaudited)

As management of the City of Tallahassee (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year that ended September 30, 2023. Management's Discussion and Analysis is designed to: (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activities, (c) identify changes in the City's financial position, and (d) identify individual fund concerns or issues. It should be read in conjunction with the Transmittal Letter at the front of this report and the City's financial statements, which follow this section. Notes mentioned below are Notes to the Financial Statements, which follow the statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of September 30, 2023 by $1.9 billion. After accounting for net position reserved for Investment in Capital Assets and for other restrictions, the unrestricted net position is $(24.8) million.

- The City's total net position increased by $66.1 million as a result of fiscal year 2023 operations.

- As of September 30, 2023, the City's governmental funds reported combined ending fund balances of $96.4 million, an increase of $1.5 million from the prior year. This increase is the result of the current year operating income. There was no governmental funds fund balance available for spending at the City's discretion.

- At the end of the fiscal year, unassigned fund balance for the general fund was $2.3 million, or 1.4% of general fund expenditures.

- As of September 30, 2023, the City's enterprise funds reported combined net position of $1.28 billion, an increase of $72.1 million from the prior year. This increase is the net result from current year operations. Approximately $134.3 million of the net position is unrestricted.

- Capital assets, net of accumulated depreciation, as of September 30, 2023, totaled $2.51 billion, a decrease of $17.5 million in comparison with prior year (Note IV.D.).

- The City's outstanding long-term debt (Note IV.G.) increased from $1.07 billion to $1.19 billion, or 11.2%.

AN OVERVIEW OF THE FINANCIAL STATEMENTS

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements are designed to report information about the City as a whole using accounting methods similar to those used by private-sector companies. Two statements, the statement of net position and the statement of activities, are utilized to provide information on a government-wide basis.

The statement of net position presents financial information on all of the City's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 for some items that will result in cash flows in future periods.

The government-wide financial statements of the City are divided into three categories:

Governmental activities — These include the basic services provided by the City including police, parks and recreation, public works, and general administration. Property, sales, and other taxes finance the majority of these activities.

Business-type activities — These include services for which the City charges specific fees which are meant to cover the cost of providing the services. These services include electric, gas, airport, fire protection, solid waste collection, water, sewer, stormwater management, transit services, and the Hilaman Golf Course.

Component units — These are legally separate organizations for which the City Commission appoints the governing board and the City has financial reporting responsibilities. The City has one discretely presented component unit, the Downtown Improvement Authority, which is an agency created by the Florida Legislature to regulate downtown growth. The City also has a blended component unit, the Community Redevelopment Agency, which is blended as a nonmajor special revenue fund into the primary government (see Note I-A for more details).

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 focus is on major funds, which provides detailed information about the most significant funds. The City, like other governmental entities, uses funds to ensure and demonstrate compliance with financial requirements imposed by law, bond covenants, and local administrative and legislative actions. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

GOVERNMENTAL FUNDS — Governmental funds are used to account for essentially the same functions 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 balances of spendable resources available at the end of the fiscal year.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's 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 thirteen (13) individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund. The data for the other twelve funds are combined into a single, aggregate presentation.

PROPRIETARY FUNDS — The City maintains two different types of proprietary funds, enterprise and internal service.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City maintains ten (10) individual enterprise funds. Information is presented separately in the proprietary funds statement of net position and in the proprietary funds statement of revenues, expenses, and changes in net position for the Electric, Gas, Sewer, Water, Airport, and Stormwater Management Funds, all of which are considered major funds. Data from the other four nonmajor funds are combined into a single, aggregate presentation.

Internal Service Funds are used to account for activities that provide goods and services to the City's other programs and activities. The City maintains fifteen (15) individual internal service funds. These internal service funds are allocated between governmental activities and business-type activities in the government-wide financial statements based upon the activity that receives the predominant benefit. Internal service funds are combined into a single, aggregate presentation in the proprietary fund financial statements.

FIDUCIARY FUNDS — Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's programs and activities. The City reports four fiduciary funds, three of which are combined into a single, aggregate presentation in the fiduciary fund statements.

NOTES TO THE FINANCIAL STATEMENTS

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

OTHER INFORMATION

This report additionally includes required supplementary information (RSI) including a budget comparison schedule, with related notes, for the General Fund and information concerning the City's progress in funding its obligation to provide pension and other post employment benefits to its employees.

The combining statements in connection with nonmajor governmental funds, nonmajor enterprise funds, internal service funds, and pension and other employee benefit fiduciary funds are presented in the combining statements section of the report.

Information regarding the City's debt service requirements, statistical information, and economic data is also presented to give report users a historical perspective of the City and to allow for broader understanding of the economic and social environment in which the City operates.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following table is a summary of the fiscal year 2023 Statement of Net Position with comparative information for fiscal year 2022.

Table 1
Statement of Net Position
As of September 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets						
Current and Other Assets	$ 125.5	$ 184.1	$ 598.2	$ 691.1	$ 723.7	$ 875.2
Capital Assets	788.5	789.3	1,726.4	1,743.1	2,514.9	2,532.4
Total Assets	914.0	973.4	2,324.6	2,434.2	3,238.6	3,407.6
Deferred Outflow of Resources	84.5	71.4	38.5	34.1	123.0	105.5
Total Assets and Deferred Outflows	998.5	1,044.8	2,363.1	2,468.3	3,361.6	3,513.1
Liabilities						
Current and Other Liabilities	259.3	123.9	218.7	210.5	478.0	334.4
Long-term Debt Outstanding	69.7	85.8	785.7	828.9	855.4	914.7
Total Liabilities	329.0	209.7	1,004.4	1,039.4	1,333.4	1,249.1
Deferred Inflows of Resources	42.0	212.5	45.9	177.3	87.9	389.8
Total Liabilities and Deferred Inflows	371.0	422.2	1,050.3	1,216.7	1,421.3	1,638.9
Net Investment in Capital Assets	696.0	653.0	884.4	829.3	1,580.4	1,482.3
Restricted	96.4	94.2	288.3	263.1	384.7	357.3
Unrestricted	(164.9)	(124.6)	140.1	159.2	(24.8)	34.6
Total Net Position	627.5	622.6	1,312.8	1,251.6	1,940.3	1,874.2
Total Liabilities, Deferred Inflows and Net Position	$ 998.5	$ 1,044.8	$ 2,363.1	$2,468.3	$ 3,361.6	$ 3,513.1

Changes in net position over time can be one of the best and most useful indicators of financial position. Total net position of the City increased from $1,874.2 million in 2022 to $1,940.3 million in 2023, an increase of $66.1 million or 3.53%.

The largest portion of the City's net position, $1.58 billion or 81.5%, reflects its substantial investment in capital assets (e.g., land, buildings, equipment, etc.), less the related outstanding debt used to acquire or construct those assets. The City uses these capital assets to provide services to residents; consequently, these assets are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

In addition, a portion of the City's net position, $384.7 million or 19.8%, represents resources that are subject to external restrictions or restrictions imposed by formal action of the City Commission on how they may be used.

After accounting for net position related to Investments in Capital Assets and other restrictions and commitments on net position, the City has a negative unrestricted net position of $24.8 million.

At the end of the fiscal year, the City is able to report positive balances in all reported categories of net position for the government as a whole with the exception of the unrestricted net position in governmental activities. This negative net position is primarily as a result of City's net pension and OPEB liabilities and their related deferred inflows. The remaining net position categories for governmental activities and all of the net position for business-type activities have positive balances.

The following table is a summary of the fiscal year 2023 Statement of Activities with comparative information for fiscal year 2022.

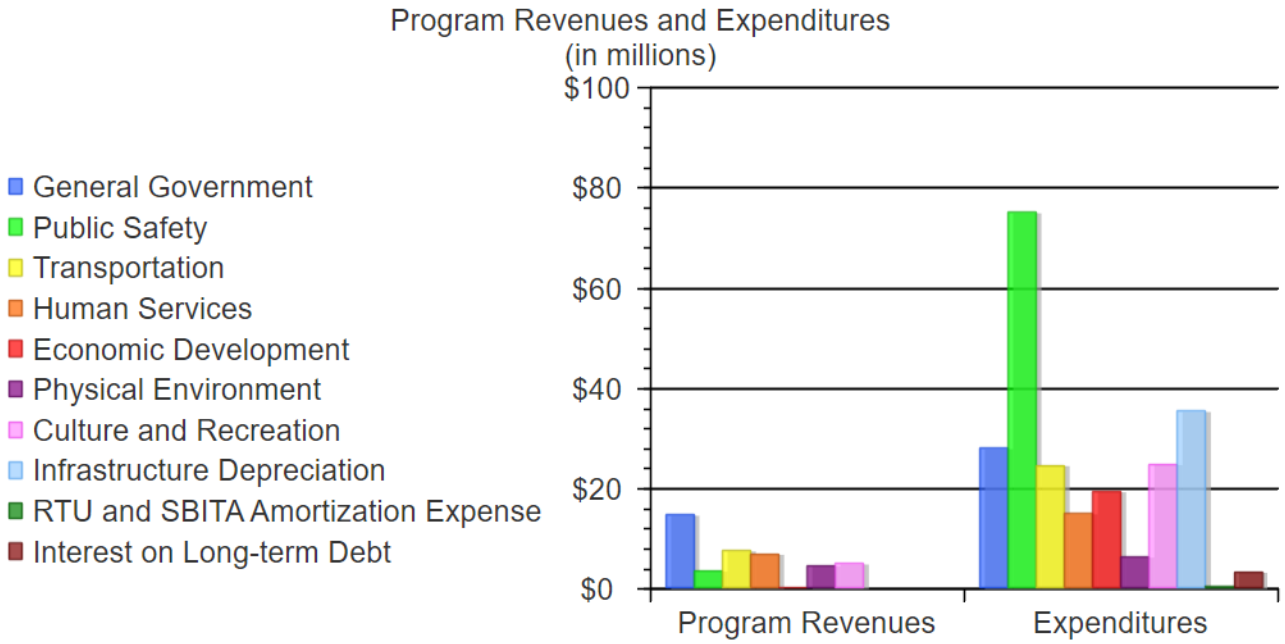
Table 2
Statement of Activities
For the Year Ended September 30
(in millions)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for Services	$ 15.8	$ 16.0	$ 621.3	$ 607.4	$ 637.1	$ 623.4
Operating Grants and Contributions	23.3	13.5	21.1	9.3	44.4	22.8
Capital Grants and Contributions	4.4	3.6	37.4	37.1	41.8	40.7
General revenues						
Property Taxes	57.9	51.4	-	-	57.9	51.4
Public Service Taxes	25.7	24.8	-	-	25.7	24.8
Grants and Contributions	41.0	40.3	2.1	2.0	43.1	42.3
Net Investment Revenue	3.1	(2.0)	15.1	(44.6)	18.2	(46.6)
Other Revenues	20.0	8.2	3.0	2.9	23.0	11.1
Total Revenues	191.2	155.8	700.0	614.1	891.2	769.9
Expenses						
General Government	28.1	21.1	-	-	28.1	21.1
Public Safety	75.1	64.4	-	-	75.1	64.4
Transportation	24.7	16.6	-	-	24.7	16.6
Cultural and Recreation	25.0	23.6	-	-	25.0	23.6
Depreciation on Infrastructure	35.4	35.0	-	-	35.4	35.0
Other Primary Government	41.2	21.8	-	-	41.2	21.8
RTU Amortization Expense	0.3	0.3	-	-	0.3	0.3
SBITA Amortization Expense	0.2	-	-	-	(0.2)	-
Interest on Long-Term Debt	3.5	3.6	-	-	3.5	3.6
Electric	-	-	283.3	292.3	283.3	292.3
Gas	-	-	23.6	24.6	23.6	24.6
Sewer	-	-	78.5	74.2	78.5	74.2
Water	-	-	42.1	40.5	42.1	40.5
Airport	-	-	22.2	21.2	22.2	21.2
StarMetro	-	-	35.1	30.0	35.1	30.0
Solid Waste	-	-	32.3	28.9	32.3	28.9
Golf	-	-	1.4	1.3	1.4	1.3
Stormwater Management	-	-	20.8	20.2	20.8	20.2
Fire Services	-	-	52.3	50.5	52.3	50.5
Total Expenses	233.5	186.4	591.6	583.7	825.1	770.1
Increase (Decrease) in Net Position Before Transfers	(42.3)	(30.6)	108.4	30.4	66.1	(0.2)
Transfers	47.2	40.9	(47.2)	(40.9)	-	-
Increase (Decrease) in Net Position From Operations	4.9	10.3	61.2	(10.5)	66.1	(0.2)
Net Position - October 1	622.6	612.3	1,251.6	1,262.1	1,874.2	1,874.4
Net Position - September 30	$ 627.5	$ 622.6	$ 1,312.8	$ 1,251.6	$ 1,940.3	$ 1,874.2

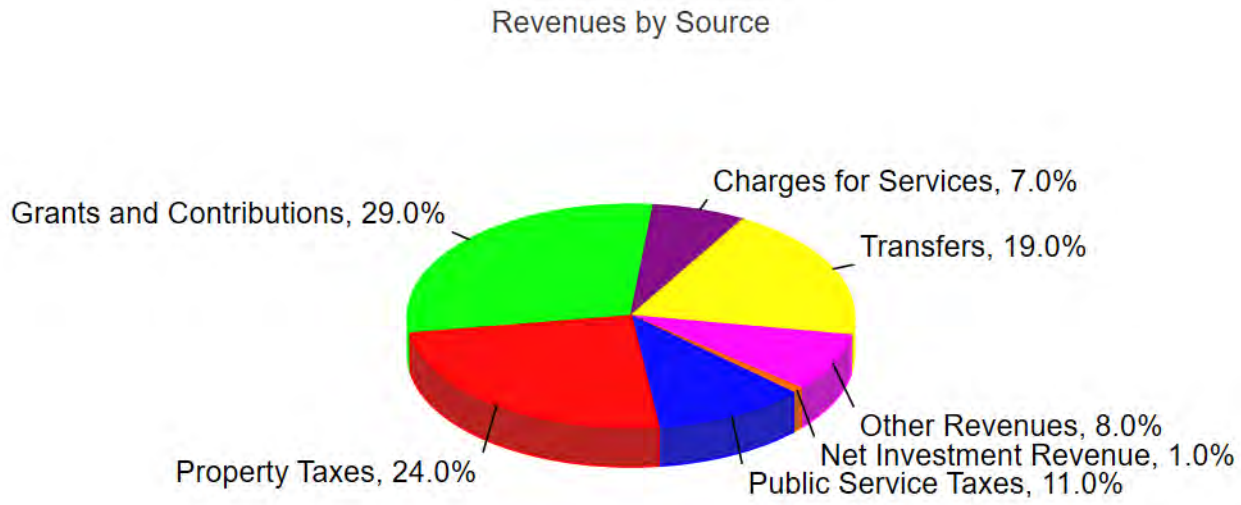
GOVERNMENTAL ACTIVITIES

During the fiscal year, net position for governmental activities increased $4.9 million for current year operations resulting in an ending balance of $627.5 million.

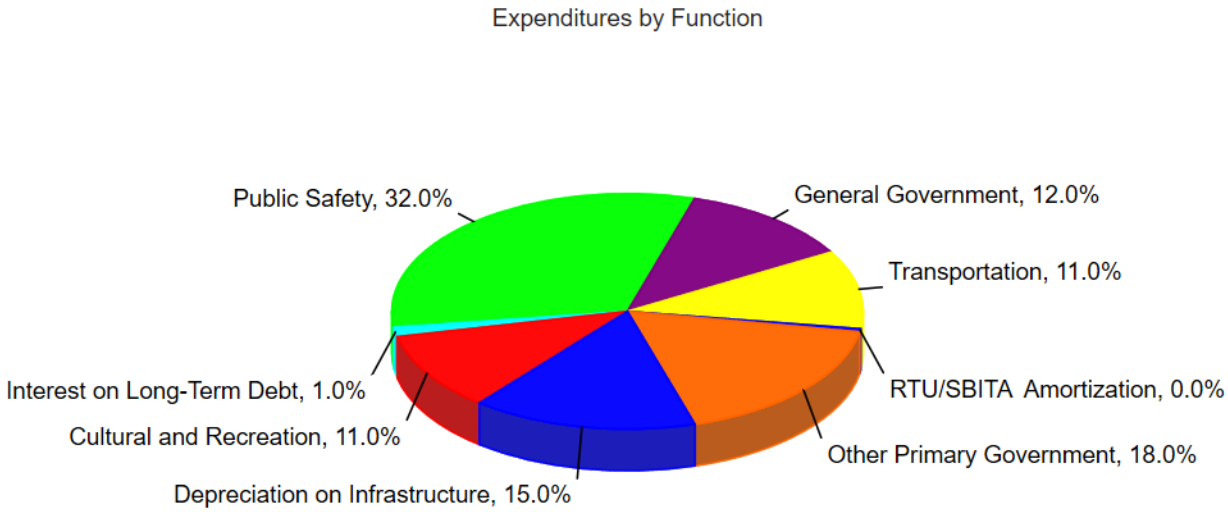
The following chart compares expenditures and program revenues for the governmental activities.



The following chart illutrates the City's revenues by source for the City's governmental activities.



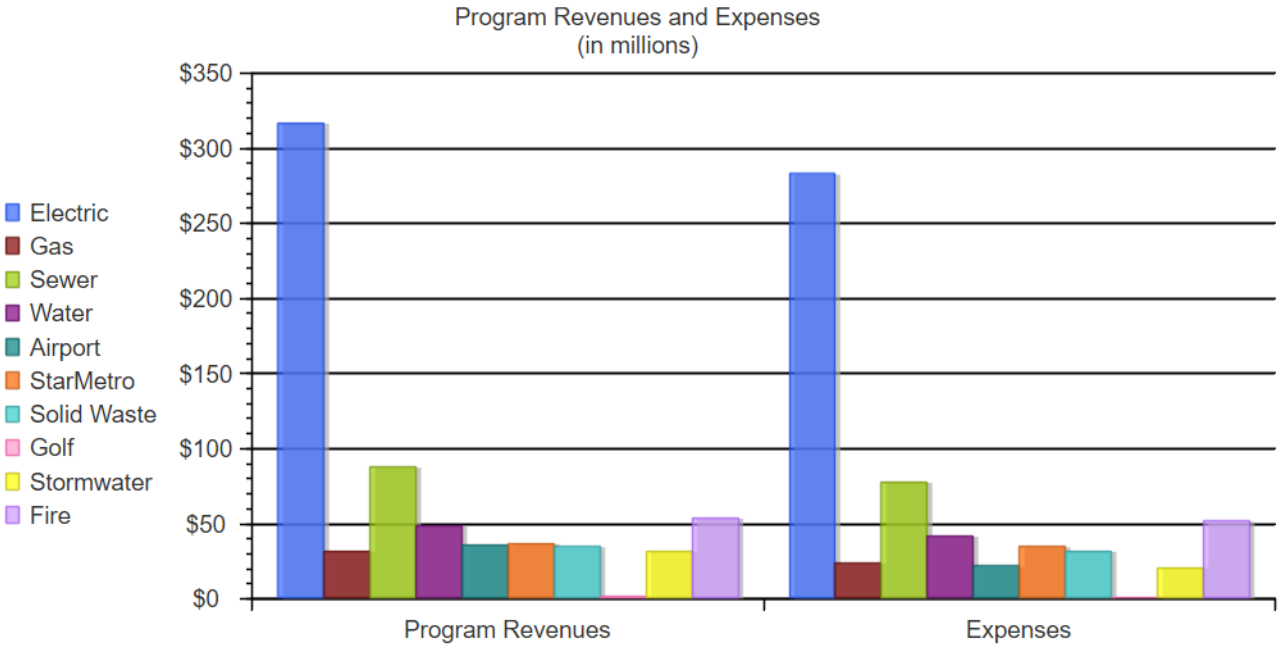
The following chart illustrates the City's expenditures by function for the City's governmental activities.



BUSINESS-TYPE ACTIVITIES

For the City's Business-type activities, the results for the current fiscal year were positive resulting in an ending net position of $1.31 billion. The increase of $61.2 million is the result of current year operations.

The following chart compares program revenues and expenses for the City's business-type activities.



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

GOVERNMENTAL FUNDS

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

As of September 30, 2023, the City's governmental funds reported combined ending fund balances of $96.4 million, an increase of $1.5 million in comparison with the prior year. This an increase is the result of current year operations. Of this amount $13.6 million is considered non-spendable; $39.3 million is restricted for purposes which are externally imposed by providers; $54.8 million is committed for specific purposes that are internally imposed by the City Commission; $1.2 million is assigned to projects under the control of the department budgeted to receive the funds. These restrictions, commitments and assignments result in a negative unassigned fund balance of $12.5 million.

The following table summarizes the change in fund balance for the governmental funds:

Table 3
Financial Analysis of the City's Governmental Funds
(in millions)

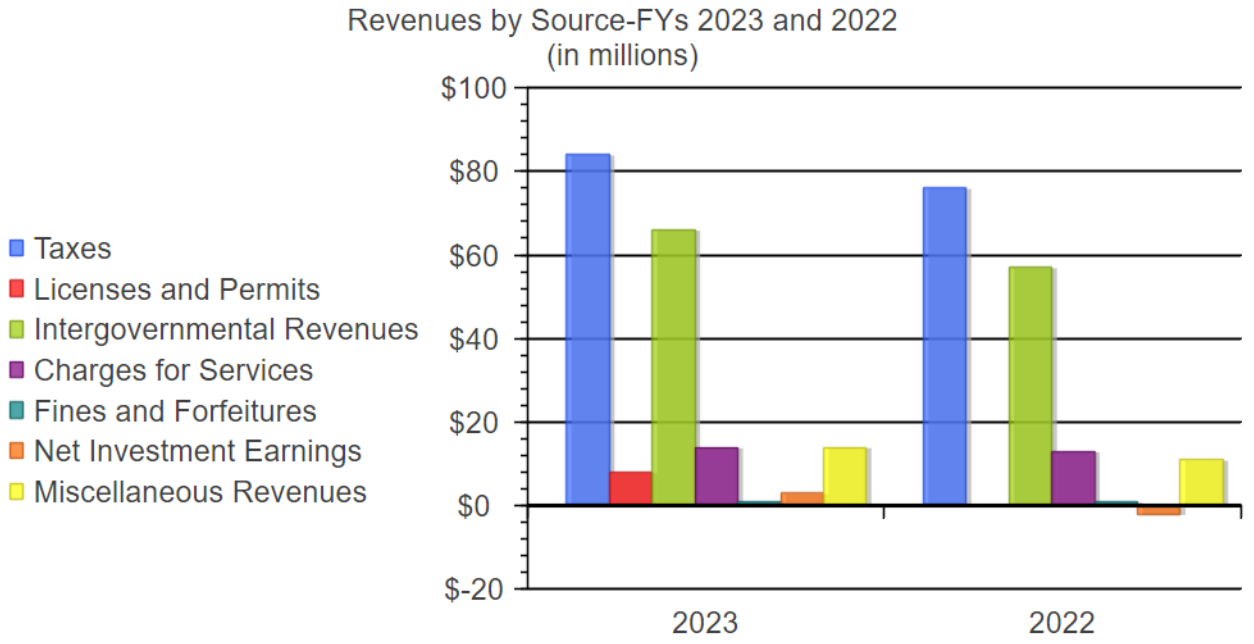
Fund	Fund Balances 9/30/2022	Sources	Uses	Sources Over (Under) Uses	Fund Balances 9/30/2023
General Fund	$ 24.8	$ 185.6	$ 180.2	$ 5.4	$ 30.2
Other Funds	70.1	72.0	75.9	(3.9)	66.2
Total City Funds	$ 94.9	$ 257.6	$ 256.1	$ 1.5	$ 96.4

The General Fund is the chief operating fund of the City. At the end of the fiscal year, fund balance for the general fund was $30.2 million, or 16.7% of general fund expenditures and other financing uses. Of this amount, $1.7 million is non-spendable and $2.3 million is unassigned.

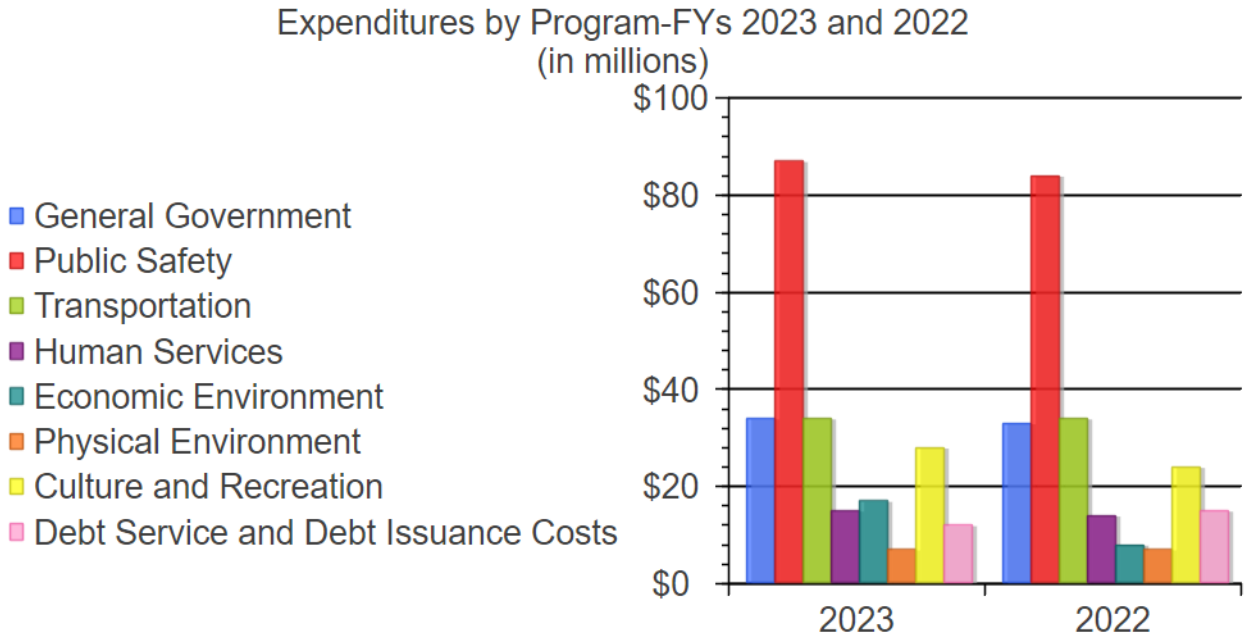
The fund balance for the City's General Fund increased $5.4 million during fiscal year 2023. This increase is due to current year operations.

The fund balance in the City's other nonmajor governmental funds decreased $3.9 million from the prior year. This decrease was the result of current year operating losses primarily caused by large expenditures in the bond construction funds on the Public Safety Complex project that will be bond funded in fiscal year 2024.

The following chart compares revenue by source for the governmental funds.



The following chart compares expenditures by program for the governmental funds.



PROPRIETARY FUNDS

The City's proprietary funds provide the same type of information found in the government-wide financial statements but in more detail. Factors addressing the finances of these funds have already been addressed in the discussion of the City's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

A schedule comparing the original to the final budget and the variance from the final budget to the actual results is included on page 120 of the financial statements.

There was a no overall change to the original budget but changes did occur across several categories for various adjustments throughout the fiscal year.

The City's general fund generated a positive variance of approximately $236,000 between the final amended budget and actual results of operation. Actual revenues for the year were $875,000 under budget overall and the revenues by category varied from the budget in all cases. Overall expenses were under budget by $1,111,000. These variances were spread across all expense categories as well.

CAPITAL ASSETS

The City's capital assets for its governmental and business-type activities, net of depreciation, as of September 30, 2023, were approximately $2.5 billion. This represents a net decrease of approximately $17.5 million, or 0.7%, under last year. See Note IV.D. for more information about the City's capital assets.

Table 4
Capital Assets, net of accumulated depreciation
(in thousands)

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	$ 371,259	$ 371,259	$ 156,138	$ 154,415	$ 527,397	$ 525,674
Buildings	43,584	46,533	125,193	127,062	168,777	173,595
Equipment	59,834	40,992	316,828	355,335	376,662	396,327
Improvements (Other than Buildings)	5,486	5,922	18,948	20,663	24,434	26,585
Infrastructure	265,620	299,288	824,957	823,521	1,090,577	1,122,809
Intangibles	1,718	1,897	154,990	166,884	156,708	168,781
Right to Use Property	1,118	1,607	-	-	1,118	1,607
Right to Use Equipment and Fixtures	2,926	3,611	2,919	3,286	5,845	6,897
Subscription Based Information Technology Arrangements Assets	5,509	-	493	-	6,002	-
Construction in Progress	31,412	18,174	125,979	91,938	157,391	110,112
Total	$ 788,466	$ 789,283	$ 1,726,445	$ 1,743,104	$ 2,514,911	$ 2,532,387

Major capital acquisitions and improvements during the year included the following:

- Aviation infrastructure - $20.7 million
- Electric generation, transmission and distribution infrastructure - $17.1 million
- Gas transmission and distribution infrastructure - $3.6 million
- Sewer collection, treatment, and disposal infrastructure - $19.3 million
- StarMetro acquisition of buses and system improvements - $.9 million
- Stormwater infrastructure - $11.7 million
- Street construction, widening and expansion projects improvements, park improvements, and vehicles and equipment for public safety purposes, - $15.2 million
- Water transmission and distribution infrastructure - $8.5 million
- Technology and Innovation - $11.2 million

LONG-TERM DEBT

As shown in the following table, as of September 30, 2023, the City had $831.7 million in total debt outstanding. This amount represents bonds and loans secured by specified revenue sources and excludes issuance premium and discounts.

Table 5
Outstanding Debt at September 30
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
General Revenue Bonds	$ 65,990	$ 75,205	$ -	$ -	$ 65,990	$ 75,205
Proprietary Revenue Bonds	-	-	752,266	784,513	752,266	784,513
Other Loans/Notes	10,170	10,984	3,233	6,473	13,403	17,457
Total	$ 76,160	$ 86,189	$ 755,499	$ 790,986	$ 831,659	$ 877,175

The City's total debt decreased by $45.5 million, or 5.19%, during the current fiscal year. This is due to the net effect of principal paydowns of approximately $177.5 million netted with the execution of a new general obligation bond of $6 million for the purchase of new police radios and two new Revenues Notes for bond refundings totalling $95.5 million.

Bond ratings have a significant influence in establishing the rate of interest expense the City must pay when the bonds are sold. Ratings for the City's debt have been consistently judged to be of good investment quality as indicated in the following table:

Table 6
Bond Ratings

	Moody's Investors Service, Inc	Standard & Poor's Rating Services	Fitch Ratings, Inc
Capital Bonds	Aa2	NA	AA+
Consolidated Utility Systems Bonds	NA	AA	AA+
Energy System Bonds	Aa3	AA	AA

Additional information about the City's long-term liabilities is included in Note IV-G to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Significant Revenue Factors

Funding for the City's governmental activities comes from property taxes and a limited number of other taxes as authorized by the State Legislature (sales, gasoline, utility services, and telecommunications), and other fees to recover the costs of services provided. Revenue is also received from state-shared revenues and grants from state and federal governments.

Revenues for the business-type activities and certain governmental activities (permitting, recreational programs, etc.) come from user fees or service charges. The consumption of the City's utilities is impacted by local weather patterns and the growth of new homes and businesses in the market. In recent years, there has been a decreasing consumption trend per capita in all the utilities due mainly to the City's demand side management programs. The resulting slower growth in demand has allowed the City to defer adding generating capacity for its electric utility. The cost of fuel is recovered from customers through cost recovery adjustments that are not part of base rates to customers. The Electric Fund maintains a reserve account that has been used in the past to reduce the impact to electric customers of steep increases in the market price of fuel. The balance in this fund as of September 30, 2023, was approximately $95 million.

Economic and other Factors that may Impact the City's Financial Position

The presence of two state universities, a community college and the state government provide a stabilizing influence on the City of Tallahassee's financial position. Leon County's unemployment has consistently been lower than the national level, which was the case in 2023.

As with any capital city, the health of the state government will continue to have a substantial impact on the economic or financial health of the City of Tallahassee. State government sales tax revenues were at near-historic high levels in 2023, a strong indicator for one of the largest industries in the City. The City continues to monitor other state and local revenue streams, such as the Communication Services Tax, and contracts lobbying services to advocate for its financial interest at both the state and federal levels. Additionally, the City is deliberate in seeking out state and federal grant opportunities to support the services it provides to its citizens.

Alongside the state workforce, Tallahassee's institutions of higher learning continue to be major economic drivers in the community. Ongoing partnerships with these institutions represent significant economic and development opportunities for the City. Most recently, increased partnerships between the universities and the City have helped attract companies to relocate to Tallahassee, especially those interested in the research being performed by Florida State University's National High Magnetic Field Laboratory. Furthermore, while college education costs have come under increased scrutiny in the past couple of years, state university tuition remains affordable compared to public universities in other states.

The City is actively involved in recruiting new businesses and employers to the area by providing a number of incentives and funding for eligible businesses as well as planning tools designed to promote economic development. This strategy has been successful in attracting new businesses and supporting existing businesses. In 2023, Amazon opened a 635,000-square-foot robotics fulfillment center that supports 1,300 full-time jobs. In addition to this initial location on the east side of town, Amazon is completing a last mile center on the west side of Tallahassee. In Innovation Park, Danfoss Turbocor will soon complete a 167,000-sqaure-foot manufacturing facility. The expansion will nearly double its current workforce of 260 employees. The Tallahassee International Airport has increased its economic impact in 2023 to $859 million, up 43 percent from 2019.

Additionally, the City is now serviced by JetBlue, its first low-cost carrier. The establishment of a Foreign Trade Zone is underway and is anticipated to create more than 1,600 jobs and generate more than $300 million annually in economic impact. As a result of years of investment across numerous sectors, the GDP of Tallahassee grew from $17.5 billion in 2019 to $19.2 billion by the end of 2022. When 2023 figures are released, GDP is anticipated to approach $20 billion.

Another sign of economic activity is the number of new developments completed or under construction throughout the City. In FY 2023, the City permitted 690,000 square feet of new commercial space. A continued increase in economic activity is further evident in the 71% growth of commercial square feet permitted in the first quarter of FY 2024 compared to the first quarter of FY 2023. The Cascades Project, adjacent to Cascades Park downtown, includes a new 150-room AC Hotel, 161 apartments, and office space. Another downtown development project, Industry Apartments, is beginning to lease its first tenants. Once fully leased, the development will feature 231 apartments, 17 townhouses, and 15,000 square feet of retail space. The Canopy Project, a mixed-use development of 505 acres, continues to build out apartments and hundreds of new single-family homes. South of downtown, SoMo Walls is nearing completion on 33,000

square feet of dining, retail, service, and office space. New subdivisions continue their construction of single-family homes in various sectors of the City while a number of apartment complexes and condominium units are planned or underway across the community. In addition to private investment, the City has a five-year Capital Improvement Plan of $1 billion, encompassing 197 projects aimed at improving roads, sidewalks, and utilities to enhance the overall appeal of Tallahassee for both businesses and residents. Additionally, the Blueprint Intergovernmental Agency is contributing more than $500 million through its five-year capital plan, further bolstering public investment in the region through additional roadway improvements, bike and pedestrian facilities, developed public space, and new public parks.

Tallahassee Memorial Hospital (TMH) is the largest general hospital in the Big Bend area of Florida. TMH has historically served an area including the Florida counties of Leon, Gadsden, Wakulla, and Jefferson with a secondary service area comprised of six other adjacent Florida counties. TMH will expand its service footprint with the 2023 announcement of a health care campus in Panama City Beach in Bay County; TMH is partnering with Florida State University and the St. Joe Company on this project which will include an 80,000-square-foot medical office building slated to open in 2024 and a 100-bed hospital to be completed in 2027. FSU and TMH are also partnering to build an academic health center of the future in Tallahassee. The State of Florida awarded Florida State University $125 million in 2022. The new academic health center will be located on TMH’s campus. The new facility will provide about 130,000 gross square feet of medical and research-related space. It will accommodate an estimated 30 principal investigators and is expected to produce an estimated $40 million of additional annual grant funding.

These indicators, as well as others, were taken into account when adopting the City's budget for fiscal year 2024. The total fiscal year 2024 Citywide operating budget totals $826.8 million, an increase of $52.6 million from fiscal year 2023. Personnel expenditures account for approximately 36.2% of the City's operating budget. The City's fiscal year 2024 operating budget has a net increase of 4 positions bringing total positions to 2,954.5.

The capital budget for fiscal year 2024 totals $205.4 million, a decrease of $57 million from fiscal year 2023. The City's utilities account for $136.0 million or 66.2% of the capital budget; other major uses include transportation, general government, public safety, technology, and culture and recreation. Bond proceeds (new and existing) will fund approximately 17.4% of these capital projects with the balance of funding coming primarily from capital improvement funds reserved for projects, federal funds, state funds, and general government resources. The City has a five year plan for capital improvements for all projects planned through fiscal year 2027 which totals $917.4 million with appropriations of funding made on an annual basis.

FINANCIAL CONTACT

This financial report is designed to provide residents, taxpayers, customers, and creditors with a general overview of the City of Tallahassee's finances and to demonstrate the City's accountability for the money it receives. If you have questions about the report or need additional financial information, contact the Financial Reporting Manager at Mailbox A-29, 300 South Adams Street, Tallahassee, Florida 32301-1731 or via email at Rita.Stevens@talgov.com.

CITY OF TALLAHASSEE

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BASIC FINANCIAL STATEMENTS

These basic financial statements provide a summary overview of the financial position as well as the operating results of the City of Tallahassee. They also serve as an introduction to the more detailed statements and schedules that follow in subsequent sections:

Government-wide Financial Statements

Governmental Funds Financial Statements

Proprietary Funds Financial Statements

Fiduciary Funds Financial Statements

Notes to Financial Statements

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023
(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Improvement Authority
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current Assets				
Cash and Cash Equivalents	$ 81,702	$ 95,341	$ 177,043	$ 191
Securities Lending Collateral	390	711	1,101	1
Receivables:				
Accrued Interest	435	678	1,113	1
Customers and Other	848	104,349	105,197	-
Notes	92	4,297	4,389	-
Leases	-	522	522	-
Special Assessments	47	-	47	-
Less: Allowance for Doubtful Accounts	(22)	(17,941)	(17,963)	-
Due From Other Governments	17,203	25,110	42,313	-
Prepaid Expenses	-	3,967	3,967	-
Inventory	818	56,637	57,455	-
Cash and Cash Equivalents - Restricted	18,771	296,881	315,652	-
Securities Lending Collateral - Restricted	194	1,614	1,808	-
Receivables - Restricted:				
Accrued Interest	168	1,673	1,841	-
Other	7	-	7	-
Notes	433	-	433	-
Leases	2,297	520	2,817	-
Due From Other Governments	4,571	2,510	7,081	-
Total Current Assets	127,954	576,869	704,823	193
Noncurrent Assets				
Internal Balances	(2,416)	2,416	-	-
Deposits	-	5,770	5,770	-
Derivative Instrument Asset	-	13,152	13,152	-
Capital Assets				
Land and Construction in Progress	402,671	282,117	684,788	-
Other, Net of Accumulated Depreciation	385,795	1,444,328	1,830,123	-
Total Noncurrent Assets	786,050	1,747,783	2,533,833	-
Total Assets	914,004	2,324,652	3,238,656	193
Pension related deferred outflows	75,261	30,834	106,095	69
OPEB related deferred outflows	9,237	7,626	16,863	17
Total Deferred Outflows of Resources	84,498	38,460	122,958	86
Assets and Deferred Outflows of Resources	$ 998,502	$ 2,363,112	$ 3,361,614	$ 279

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF NET POSITION
September 30, 2023
(in thousands)

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Downtown Improvement Authority
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current Liabilities				
Obligations Under Securities Lending	$ 390	$ 711	$ 1,101	$ 1
Accounts Payable	10,606	48,195	58,801	33
Deposits Payable	-	28,409	28,409	-
Unearned Revenue	16,786	54	16,840	-
Due to Other Governments	2,162	4	2,166	-
Lease Payable	1,829	408	2,237	-
Subscription Liability	3,061	365	3,426	-
Compensated Absences	5,762	9,949	15,711	9
Accounts Payable - Restricted	3,022	6,564	9,586	-
Obligations Under Securities Lending - Restricted	194	1,614	1,808	-
Unearned Revenue - Restricted	3,944	-	3,944	-
Bonds and Loans Payable	9,590	37,740	47,330	-
Total Current Liabilities	57,346	134,013	191,359	43
Noncurrent Liabilities				
Compensated Absences	6,202	5,948	12,150	3
Customer Contracts Payable	-	1,669	1,669	-
Claims Payable	-	19,097	19,097	-
Lease Payable	1,860	2,545	4,405	-
Subscription Liability	2,223	165	2,388	-
Net OPEB Liability	37,161	25,105	62,266	108
Net Pension Liability	154,509	30,224	184,733	59
Bonds and Loans Payable	69,697	785,669	855,366	-
Total Noncurrent Liabilities	271,652	870,422	1,142,074	170
Total Liabilities	328,998	1,004,435	1,333,433	213
Deferred Inflows of Resources				
Deferred Inflows on Bond Refundings	4,167	15,438	19,605	-
Pension Related Deferred Inflows	19,562	2,315	21,877	7
OPEB Related Deferred Inflows	16,047	13,916	29,963	19
Lease Related Deferred Inflows	2,243	1,045	3,288	-
Fuel Hedging Related Deferred Inflows	-	13,152	13,152	-
Total Deferred Inflows of Resources	42,019	45,866	87,885	26
Total Liabilities and Deferred Inflows of Resources	371,017	1,050,301	1,421,318	239
Net Position				
Net Investment in Capital Assets	696,039	884,406	1,580,445	-
Restricted for:				
Capital Projects	39,239	288,276	327,515	-
Debt Service	11,773	1	11,774	-
Cemetery Grounds Maintenance	2,192	-	2,192	-
Emergency Management	24,919	-	24,919	-
Housing	4,388	-	4,388	-
Park Enhancements	3,686	-	3,686	-
Public Infrastructure	9,118	-	9,118	-
Other Purposes	1,048	-	1,048	-
Unrestricted	(164,917)	140,128	(24,789)	40
Total Net Position	627,485	1,312,811	1,940,296	40
Total Liabilities, Deferred Inflows of Resources and Net Position	$ 998,502	$ 2,363,112	$ 3,361,614	$ 279

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023
(in thousands)

		Program Revenue		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
FUNCTION/PROGRAMS				
Primary Government:				
Governmental Activities:				
General Government	$ 28,106	$ 2,470	$ 12,379	$ -
Public Safety	75,137	1,435	2,269	-
Transportation	24,746	3,515	2,202	2,021
Human Services	15,126	1,377	5,437	247
Economic Development	19,538	288	23	-
Physical Environment	6,486	2,251	350	2,125
Culture and Recreation	24,958	4,449	679	-
Unallocated Depreciation on Infrastructure	35,525	-	-	-
RTU Amortization Expense	279	-	-	-
SBITA Amortization Expense	247	-	-	-
Interest on Long-Term Debt	3,472	-	-	-
Total governmental activities	233,620	15,785	23,339	4,393
Business-type Activities:				
Electric	283,254	314,398	2,409	-
Gas	23,558	32,058	-	-
Sewer	78,491	87,647	-	-
Water	42,121	49,142	-	-
Airport	22,249	16,406	3,096	16,541
StarMetro	35,100	7,524	8,241	20,833
Solid Waste	32,288	34,587	57	-
Golf	1,394	1,533	-	-
Stormwater Management	20,842	24,267	7,311	-
Fire Services	52,308	53,693	-	-
Total business-type activities	591,605	621,255	21,114	37,374
Total primary government	$ 825,225	$ 637,040	$ 44,453	$ 41,767
Component Unit:				
Downtown Improvement Authority	$ 415	$ -	$ -	$ -

GENERAL REVENUES AND NET TRANSFERS

Taxes:
Property Taxes, levied for general purposes
Public Service Taxes
Permits and Fees
Grants and Contributions, not restricted to specific programs
Net Unrestricted Investment Earnings
Net Securities Lending Income
Change in Fair Value of Investments
Miscellaneous
Net Transfers
Total General Revenues and Transfers
Change in Net Position
Net Position - October 1
Net Position - September 30

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023
(in thousands)

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
$ (13,257)	$ -	$ (13,257)	$ -
(71,433)	-	(71,433)	-
(17,008)	-	(17,008)	-
(8,065)	-	(8,065)	-
(19,227)	-	(19,227)	-
(1,760)	-	(1,760)	-
(19,830)	-	(19,830)	-
(35,525)	-	(35,525)	-
(279)	-	(279)	-
(247)	-	(247)	-
(3,472)	-	(3,472)	-
(190,103)	-	(190,103)	-
-	33,553	33,553	-
-	8,500	8,500	-
-	9,156	9,156	-
-	7,021	7,021	-
-	13,794	13,794	-
-	1,498	1,498	-
-	2,356	2,356	-
-	139	139	-
-	10,736	10,736	-
-	1,385	1,385	-
-	88,138	88,138	-
(190,103)	88,138	(101,965)	-
			(415)
57,918	-	57,918	252
25,720	-	25,720	-
6,097	-	6,097	-
40,968	2,078	43,046	50
2,740	10,783	13,523	5
5	58	63	-
325	4,367	4,692	3
14,040	2,967	17,007	172
47,211	(47,211)	-	-
195,024	(26,958)	168,066	482
4,921	61,180	66,101	67
622,564	1,251,631	1,874,195	(27)
$ 627,485	$ 1,312,811	$ 1,940,296	$ 40

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

CITY OF TALLAHASSEE

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GOVERNMENTAL FUNDS

General	Accounts for all financial resources except those required to be accounted for in another fund. The functions paid for by the general fund include police, protective inspection, code enforcement, culture and recreation, general government, transportation, human services, economic development, and physical environment.
Other Governmental Funds	Detailed descriptions of these funds are provided on page 135.

PROPRIETARY FUNDS

Electric	Accounts for the assets, operation and maintenance of the City-owned electric generation, transmission, and distribution system.
Gas	Accounts for the assets, operation and maintenance of the City-owned gas system.
Sewer	Accounts for the assets, operation and maintenance of the City's wastewater collection and treatment system.
Water	Accounts for the assets, operation and maintenance of the City's water production and distribution system.
Airport	Accounts for the assets, operation and maintenance of the City-owned international airport.
Stormwater Management	Accounts for the operation, maintenance, and expansion of the City-owned stormwater utility system.
Other Enterprise Funds	Detailed descriptions of these funds are provided on page 142.
Internal Service Funds	Detailed description of these funds are provided on page 147.

FIDUCIARY FUNDS

Pension and OPEB Trust Funds	Detailed descriptions of these funds are provided on page 153
Custodial Fund	Reports Fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

CITY OF TALLAHASSEE, FLORIDA
BALANCE SHEET
Governmental Funds
September 30, 2023
(in thousands)

	General	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and Cash Equivalents	$ 8,491	$ 54,136	$ 62,627
Securities Lending Collateral	55	314	369
Receivables:			
Accrued Interest	57	322	379
Customers and Others	800	34	834
Leases	1,569	727	2,296
Notes	-	92	92
Special Assessments	-	47	47
Less: Allowance for Doubtful Accounts	(22)	-	(22)
Due From Other Funds	12,635	1,154	13,789
Due From Other Governments	13,592	3,239	16,831
Advances To Other Funds	-	11,773	11,773
Inventory	818	-	818
Cash and Cash Equivalents	821	33,224	34,045
Securities Lending Collateral	-	194	194
Receivables - Restricted:			
Accrued Interest	-	207	207
Customers and Others	-	8	8
Notes	-	433	433
Due From Other Governments	-	4,546	4,546
Total Assets	$ 38,816	$ 110,450	$ 149,266
LIABILITIES			
Obligations Under Securities Lending	$ 55	$ 314	$ 369
Accounts and Retainage Payable	3,594	4,259	7,853
Due To Other Funds	52	14,039	14,091
Due To Other Governments	2,211	-	2,211
Advances from Other Funds	387	3,011	3,398
Unearned Revenue	-	16,785	16,785
Obligations Under Securities Lending - Restricted	-	194	194
Accounts and Retainage Payable - Restricted	821	993	1,814
Unearned Revenue - Restricted	-	3,945	3,945
Total Liabilities	7,120	43,540	50,660
DEFERRED INFLOWS OF RESOURCES			
Lease Related Deferred Inflows	1,544	699	2,243
Total Liabilities and Deferred Inflows of Resources	8,664	44,239	52,903
FUND BALANCES			
Nonspendable	1,661	11,960	13,621
Spendable:			
Restricted	-	39,260	39,260
Committed	25,070	29,725	54,795
Assigned	1,150	-	1,150
Unassigned	2,271	(14,734)	(12,463)
Total Fund Balances	30,152	66,211	96,363
Total Liabilities and Fund Balances	$ 38,816	$ 110,450	$ 149,266

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

CITY OF TALLAHASSEE, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
September 30, 2023
(in thousands)

Total Fund Balances - Governmental Funds	$ 96,363
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital and right to use assets used in governmental activities are not financial resources and therefore are not reported in the funds.	788,466
Long-term receivables will not be collected in the current period and, therefore, are not reported in the funds.	24,076
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the governmental-type internal service funds are included in the Statement of Net Position.	(34,506)
Certain amounts related to the Net Pension Liability and Net OPEB liability are deferred and amortized over time and are not reported in the funds.	13
Deferred results and contributions to pension plans made after the measurement date are recorded as expenditures in the fund statements but must be deferred in the Statement of Net Position.	35,781
Long-term liabilities, including bonds payable, compensated absences, deferred outflows of resources, net pension liability, and net OPEB liability are not due and payable in the current period and therefore are not reported in the funds.	(295,803)
Net Position - Governmental Activities	$ 627,485

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
Governmental Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	General	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	$ 79,845	$ 3,787	$ 83,632
Licenses and Permits	2,278	6,097	8,375
Intergovernmental Revenues	24,432	41,474	65,906
Charges for Services	13,192	1,017	14,209
Fines and Forfeitures	705	218	923
Net Investment Earnings	45	2,550	2,595
Securities Lending Income	-	35	35
Change in Fair Value of Investments	-	299	299
Miscellaneous Revenues	9,960	4,206	14,166
Total Revenues	130,457	59,683	190,140
EXPENDITURES			
General Government	28,341	6,030	34,371
Public Safety	72,544	14,036	86,580
Transportation	20,410	13,432	33,842
Human Services	12,266	2,934	15,200
Economic Environment	-	16,735	16,735
Physical Environment	5,251	1,600	6,851
Culture and Recreation	24,961	2,604	27,565
Securities Lending Expense:			
Interest Expense	-	28	28
Agent Fees	-	2	2
Debt Service:			
Principal Retired	-	8,814	8,814
Interest and Fiscal Charges	43	2,883	2,926
Total Expenditures	163,816	69,098	232,914
Excess of Revenues Over (Under) Expenses	(33,359)	(9,415)	(42,774)
OTHER FINANCING SOURCES (USES)			
Transfers In	52,399	12,357	64,756
Transfers Out	(16,440)	(6,798)	(23,238)
Proceeds from Sale of Capital Assets	2,743	-	2,743
Total Other Financing Sources (Uses)	38,702	5,559	44,261
Net Change in Fund Balances	5,343	(3,856)	1,487
Fund Balances - October 1	24,809	70,067	94,876
Fund Balances - September 30	$ 30,152	$ 66,211	$ 96,363

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

CITY OF TALLAHASSEE, FLORIDA
RECONCILIATION OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2023
(in thousands)

Net Change in Fund Balances - Total Governmental Funds	$	1,487
Amounts reported for governmental activities in the Statement of Activities are different because:		
Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation and amortization in the current period.		(17,459)
Internal Service funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain internal service funds is reported with governmental activities.		1,588
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		9,766
The net change in compensated absences which is reported in the Statement of Activities does not require the use of current financial resources and therefore is not reported as an expenditure in governmental funds.		(544)
Pension and OPEB related items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as an expenditure in governmental funds.		10,083
Change in Net Position of Governmental Activities	$	4,921

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF NET POSITION
Proprietary Funds
September 30, 2023
(in thousands)

	Enterprise Funds								
	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise	Total Enterprise	Internal Service
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES									
Current Assets									
Cash and Cash Equivalents	$ 38,180	$ -	$ -	$ -	$ 1,035	$ 21,832	$ 3,018	$ 64,065	$ 52,764
Securities Lending Collateral	223	-	-	-	6	86	17	332	400
Receivables:									
Accrued Interest	231	-	14	(5)	6	89	19	354	360
Notes	4,428	-	612	-	-	-	-	5,040	-
Customers and Others	60,423	3,913	12,787	7,534	1,321	3,320	13,993	103,291	323
Leases	-	-	-	251	271	-	-	522	-
Due From Other Governments	4,099	-	279	37	8	22	19,223	23,668	673
Less: Allowance for Doubtful Accounts	(10,533)	(352)	(2,141)	(1,705)	(355)	(573)	(2,282)	(17,941)	-
Prepaid Expenses	-	-	-	-	-	-	-	-	3,967
Due From Other Funds	45,077	1,824	-	-	-	14,947	3,886	65,734	30,741
Inventory	52,850	82	1,030	73	223	-	1,174	55,432	1,204
Current Assets - Restricted:									
Cash and Cash Equivalents	159,448	12,577	60,803	14,734	31,373	-	-	278,935	-
Securities Lending Collateral	922	73	352	85	182	-	-	1,614	-
Accrued Interest	955	75	351	88	188	-	-	1,657	-
Due From Other Governments	-	-	37	-	2,473	-	1,165	3,675	-
Total Current Assets	356,303	18,192	74,124	21,092	36,731	39,723	40,213	586,378	90,432
Noncurrent Assets									
Leases	-	-	-	470	50	-	-	520	-
Advances To Other Funds	3,000	-	-	-	-	-	-	3,000	1,358
Deposits	-	-	-	-	-	-	-	-	5,770
Derivative Instruments	-	-	-	-	-	-	-	-	13,152
Capital Assets:									
Land and Construction in Progress	55,515	676	38,034	12,480	43,128	126,769	5,471	282,073	2,571
Other, Net of Accumulated Depreciation	594,807	61,826	396,688	153,128	82,755	77,881	45,363	1,412,448	91,640
Total Noncurrent Assets	653,322	62,502	434,722	166,078	125,933	204,650	50,834	1,698,041	114,491
Total Assets	1,009,625	80,694	508,846	187,170	162,664	244,373	91,047	2,284,419	204,923
Deferred Outflows of Resources									
Pension Related Deferred Outflows	11,696	906	5,700	2,772	2,157	2,528	5,075	30,834	-
OPEB Related Deferred Outflows	2,187	206	1,097	533	351	349	2,903	7,626	-
Total Assets and Deferred Outflows of Resources	$ 1,023,508	$ 81,806	$ 515,643	$ 190,475	$ 165,172	$ 247,250	$ 99,025	$ 2,322,879	$ 204,923

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF NET POSITION
Proprietary Funds
September 30, 2023
(in thousands)

	Enterprise Funds								
	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise	Total Enterprise	Internal Service
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION									
Current Liabilities									
Accounts and Retainage Payable	$ 22,715	$ 2,116	$ 4,828	$ 1,627	$ 1,844	$ 1,613	$ 3,787	$ 38,530	$ 12,725
Due To Other Funds	-	-	5,272	1,420	3	-	23,704	30,399	65,774
Due To Other Governments	4	-	-	-	-	-	-	4	654
Compensated Absences	1,903	250	662	596	292	476	3,573	7,752	3,068
Lease Payable	-	-	-	-	4	-	375	379	1,593
SBITA Liability	32	-	-	-	-	-	60	92	3,041
Obligations Under Securities Lending	223	-	-	-	6	86	17	332	400
Unearned Revenue	-	-	-	-	-	-	54	54	-
Deposits Payable	25,367	759	-	2,283	-	-	-	28,409	-
Obligations Under Securities Lending - Restricted	922	73	352	85	182	-	-	1,614	-
Accounts and Retainage Payable - Restricted	2,164	68	1,092	257	2,721	-	449	6,751	-
Loans Payable	1,682	217	-	1,334	-	-	-	3,233	-
Bonds Payable	21,412	338	8,869	3,001	-	-	887	34,507	875
Total Current Liabilities	76,424	3,821	21,075	10,603	5,052	2,175	32,906	152,056	88,130
Noncurrent Liabilities									
Claims Payable	-	-	-	-	-	-	-	-	19,097
Customer Contracts Payable	-	-	1,118	550	-	-	-	1,668	-
Advances from Other Funds	4,490	-	-	-	150	-	7,772	12,412	321
Compensated Absences	2,102	141	873	201	453	212	934	4,916	1,680
Lease Payable	-	-	-	-	4	-	2,510	2,514	910
SBITA Liability	-	-	-	-	-	-	133	133	1,893
Net OPEB Liability	5,523	642	4,205	1,775	920	198	11,842	25,105	-
Bonds Payable	481,364	2,909	223,140	74,501	-	-	3,755	785,669	3,615
Net Pension Liability	11,508	896	5,617	2,785	1,951	2,477	4,990	30,224	-
Total Noncurrent Liabilities	504,987	4,588	234,953	79,812	3,478	2,887	31,936	862,641	27,516
Total Liabilities	581,411	8,409	256,028	90,415	8,530	5,062	64,842	1,014,697	115,646
Deferred Inflows of Resources									
Deferred Inflows on Refunding of Bonds	8,014	345	5,744	1,335	-	-	-	15,438	-
Pension Related Deferred Inflows	852	68	423	221	160	194	397	2,315	-
OPEB Related Deferred Inflows	4,188	380	1,929	975	668	753	5,023	13,916	-
Lease Related Deferred Inflows	-	-	-	727	318	-	-	1,045	-
Accumulated Increase in Fair Value of Hedging Derivatives	-	-	-	-	-	-	-	-	13,152
Total Liabilities and Deferred Inflows of Resources	594,465	9,202	264,124	93,673	9,676	6,009	70,262	1,047,411	128,798
Net Position									
Net Investment in Capital Assets	137,817	58,984	196,969	85,437	125,875	204,650	43,114	852,846	82,284
Restricted for Debt Service	-	1	-	-	-	-	-	1	-
Restricted for Renewal, Replacement and Improvements	163,652	12,288	39,373	10,872	28,442	33,260	389	288,276	-
Unrestricted:	127,574	1,331	15,177	493	1,179	3,331	(14,740)	134,345	(6,159)
Total Net Position	429,043	72,604	251,519	96,802	155,496	241,241	28,763	1,275,468	76,125
Total Liabilities, Deferred Inflows, and Net Position	$ 1,023,508	$ 81,806	$ 515,643	$ 190,475	$ 165,172	$ 247,250	$ 99,025	2,322,879	$ 204,923
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds								37,343	
Net Position of Business-type Activities								$ 1,312,811	

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Proprietary Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Enterprise Funds								
	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
OPERATING REVENUES									
Charges for Services:									
Residential Sales	$ 139,098	$ 12,884	$ 40,213	$ 22,700	$ -	$ 9,755	$ 42,927	$ 267,577	$ -
Commercial and Industrial Sales	136,145	17,777	31,433	14,877	-	10,818	40,557	251,607	-
Public Street and Highway Lighting	5,157	-	-	-	-	-	-	5,157	-
Sales for Resale	15,883	-	-	-	-	-	-	15,883	-
Surcharge	3,170	355	1,870	2,608	-	-	-	8,003	-
Tapping Fees	-	16	156	845	-	-	-	1,017	-
Landing Fees	-	-	-	-	1,562	-	-	1,562	-
Late Fees	979	55	-	57	-	-	-	1,091	-
Initiating Service	756	114	-	400	-	-	-	1,270	-
Rentals	1,449	-	-	408	11,483	-	-	13,340	-
Cut-ins and Cut Fees	734	16	-	58	-	-	-	808	-
County Government	-	-	-	-	-	-	3,583	3,583	-
Recreation Fees	-	-	-	-	-	-	1,533	1,533	-
Transportation Fees	-	-	-	-	-	-	5,910	5,910	-
Other Charges	11,027	262	3,634	4,857	1,597	3,291	2,344	27,012	263,892
Total Operating Revenues	314,398	31,479	77,306	46,810	14,642	23,864	96,854	605,353	263,892
OPERATING EXPENSES									
Personnel Services	40,235	3,066	17,483	9,645	6,905	7,304	56,535	141,173	52,705
Fossil Fuel	91,914	11,747	-	-	-	-	682	104,343	-
Power Purchased	5,556	-	-	-	-	-	-	5,556	-
Contractual Services	55,313	5,181	23,285	19,439	6,296	11,470	48,270	169,254	32,498
Materials and Supplies	11,130	270	4,518	1,376	389	677	4,944	23,304	151,331
Other	6,855	606	2,089	1,452	252	422	3,952	15,628	12,616
Depreciation	49,478	2,321	21,269	7,216	8,159	2,423	5,115	95,981	12,368
Amortization	26	-	-	-	4	-	455	485	4,905
Total Operating Expenses	260,507	23,191	68,644	39,128	22,005	22,296	119,953	555,724	266,423
Operating Income (Loss)	$ 53,891	$ 8,288	$ 8,662	$ 7,682	$ (7,363)	$ 1,568	$ (23,099)	$ 49,629	$ (2,531)

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Proprietary Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Enterprise Funds								
	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
NON-OPERATING REVENUES (EXPENSES)									
Net Investment Earnings	$ 4,972	$ 272	$ 1,471	$ 386	$ 759	$ 853	$ 161	$ 8,874	$ 2,033
Change in Fair Value of Investments	2,631	142	527	142	98	-	30	3,570	824
Securities Lending:									
Securities Lending Income	88	7	27	7	14	14	-	157	34
Interest Expense	(72)	(6)	(22)	(6)	(11)	(11)	-	(128)	(29)
Agent Fees	(3)	-	(1)	-	(1)	(1)	-	(6)	(1)
Intergovernmental Revenues	-	-	-	-	3,096	-	26,022	29,118	814
Other Revenues	2,234	678	12,539	2,837	153	403	2,249	21,093	6,296
Interest Income	-	-	-	-	-	-	-	-	25
Interest Expense	(20,596)	(102)	(9,509)	(3,003)	(2)	-	(428)	(33,640)	(1,381)
Debt Issuance Costs	(3)	-	-	-	-	-	-	(3)	-
Gain (Loss) on Sale of Assets	-	-	-	-	-	1,419	-	1,419	-
Insurance Claims and Settlements	993	-	-	-	-	-	-	993	-
Other Expenses	(785)	-	(568)	(29)	(49)	(2)	(169)	(1,602)	(8,233)
Total Non-Operating Revenues (Expenses)	(10,541)	991	4,464	334	4,057	2,675	27,865	29,845	382
Income (Loss) Before Capital Contributions and Operating Transfers	43,350	9,279	13,126	8,016	(3,306)	4,243	4,766	79,474	(2,149)
CAPITAL CONTRIBUTIONS AND TRANSFERS									
Capital Contributions	-	-	-	-	16,541	7,311	3,109	26,961	-
Transfers In	1,989	96	785	1,195	73	631	13,248	18,017	2,080
Transfers Out	(35,420)	(3,856)	(5,719)	(4,148)	(32)	(527)	(2,673)	(52,375)	(9,240)
Total Capital Contributions and Transfers	(33,431)	(3,760)	(4,934)	(2,953)	16,582	7,415	13,684	(7,397)	(7,160)
Change in Net Position	9,919	5,519	8,192	5,063	13,276	11,658	18,450	72,077	(9,309)
Net Position - October 1	419,124	67,085	243,327	91,739	142,220	229,583	10,313	1,203,391	85,434
Net Position - September 30	$ 429,043	$ 72,604	$ 251,519	$ 96,802	$ 155,496	$ 241,241	$ 28,763	1,275,468	$ 76,125
Adjustment to reflect the consolidation of internal service fund activities to enterprise funds								10,897	
Change in net position of Business-type Activities								$ 61,180	

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES									
Cash Received from Customers	$ 309,345	$ 31,443	$ 74,585	$ 45,792	$ 13,937	$ 23,536	$ 87,502	$ 586,140	$ -
Cash Received for Interfund Services	-	-	-	-	-	-	-	-	269,351
Cash Received from Other Revenues	2,234	-	6,050	451	80	403	2,080	11,298	6,295
Cash Paid to Suppliers for Goods and Services	(134,461)	(13,662)	(14,062)	(33,358)	(4,682)	(5,284)	(30,752)	(236,261)	(220,916)
Cash Paid to Employees for Services	(41,158)	(3,151)	(17,981)	(9,976)	(7,082)	(7,493)	(57,528)	(144,369)	(52,570)
Cash Paid to Other Funds	(31,384)	(4,410)	(12,051)	11,653	(2,163)	(7,437)	(27,260)	(73,052)	(10,267)
Cash Paid for Other Expenses	(785)	-	-	(29)	-	(2)	-	(816)	(8,232)
Net Cash Provided by (Used for) Operating Activities	103,791	10,220	36,541	14,533	90	3,723	(25,958)	142,940	(16,339)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES									
Transfers In from Other Funds	1,989	96	3,646	835	-	631	13,093	20,290	19,506
Operating Grants Received	-	-	-	-	3,176	-	25,965	29,141	814
Cash Received From Other Non-operating Revenues	-	-	-	-	-	-	-	-	65
Cash Received From Interfund Balances	-	(1,824)	-	-	-	-	(8,014)	(9,838)	21,093
Cash Paid For Interfund Balances	(15,571)	-	-	-	-	-	-	(15,571)	-
Transfers Out to Other Funds	(35,420)	(3,856)	(5,719)	(4,148)	41	(15,474)	(2,673)	(67,249)	(518)
Net Cash Provided by (Used for) Noncapital Financing Activities	(49,002)	(5,584)	(2,073)	(3,313)	3,217	(14,843)	28,371	(43,227)	40,960
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES									
Capital Contributions	-	-	-	-	16,215	7,311	3,264	26,790	-
Systems Charges	-	-	6,489	2,386	-	-	-	8,875	-
Lease Revenue	-	-	-	270	284	-	-	554	-
Bond Issuance Costs	(3)	-	-	-	-	-	-	(3)	-
Acquisition, Construction and Sale of Capital Assets	(18,999)	(3,569)	(19,885)	(8,637)	(20,168)	(11,838)	(7,871)	(90,967)	(23,093)
Bond and Loan Proceeds	-	-	(61)	-	-	-	-	(61)	(1,661)
Principal and Refunding Payments	(21,640)	(537)	(8,156)	(4,279)	-	-	(867)	(35,479)	-
Repayment of Loans from Other Funds	-	-	-	-	(49)	-	(1,499)	(1,548)	-
Interest Paid	(24,456)	(141)	(11,202)	(3,550)	(2)	(11)	(428)	(39,790)	(1,387)
Insurance Claims and Settlements	993	-	-	-	-	-	-	993	-
Net Cash Provided by (Used for) Capital and Related Financing Activities	(64,105)	(4,247)	(32,815)	(13,810)	(3,720)	(4,538)	(7,401)	(130,636)	(26,141)

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF CASH FLOWS
Proprietary Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Electric	Gas	Sewer	Water	Airport	Stormwater Management	Other Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES									
Interest Received on Investments	4,442	236	1,290	358	670	895	167	8,058	1,918
Increase (Decrease) in the Fair Value of Investments	2,631	142	527	142	98	-	30	3,570	824
Net Cash Provided by (Used for) Investing Activities	$ 7,073	$ 378	$ 1,817	$ 500	$ 768	$ 895	$ 197	$ 11,628	$ 2,742
Net Increase (Decrease) in Cash and Cash Equivalents	(2,243)	767	3,470	(2,090)	355	(14,763)	(4,791)	(19,295)	1,222
Cash and Cash Equivalents - October 1	199,871	11,810	57,333	16,824	32,053	36,595	7,809	362,295	51,542
Cash and Cash Equivalents - September 30	$ 197,628	$ 12,577	$ 60,803	$ 14,734	$ 32,408	$ 21,832	$ 3,018	$ 343,000	$ 52,764
Classified As:									
Unrestricted Assets	$ 38,180	$ -	$ -	$ -	$ 1,035	$ 21,832	$ 3,018	$ 64,065	$ 52,764
Restricted Assets	159,448	12,577	60,803	14,734	31,373	-	-	278,935	-
	$ 197,628	$ 12,577	$ 60,803	$ 14,734	$ 32,408	$ 21,832	$ 3,018	$ 343,000	$ 52,764
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:									
Operating Income (Loss)	$ 53,891	$ 8,288	$ 8,662	$ 7,682	$ (7,363)	$ 1,568	$ (23,099)	$ 49,629	$ (2,531)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:									
Depreciation/Amortization	49,504	2,321	21,269	7,216	8,163	2,423	5,570	96,466	17,273
Net pension and OPEB liability changes	(1,198)	(106)	(564)	(287)	(202)	(233)	(1,137)	(3,727)	-
Provision for Uncollectible Accounts	(53)	9	83	82	1	499	163	784	-
Lease Revenue	-	-	-	(314)	(276)	-	-	(590)	-
Other	1,449	-	6,050	422	(37)	401	2,080	10,365	(1,937)
(Increase) Decrease in Accounts Receivable	(8,164)	(214)	(2,870)	(1,256)	(309)	(826)	(2,395)	(16,034)	6,341
(Increase) Decrease in Inventory	(6,622)	-	6	-	-	-	195	(6,421)	615
(Increase) Decrease in Deposits	-	-	-	-	2	-	-	2	-
(Increase) Decrease in Notes Receivables	806	-	145	-	-	-	-	951	-
(Increase) Decrease in Due From Other Funds	-	-	-	-	-	(1)	-	(1)	-
(Increase) Decrease in Due From Other Governments	750	1	4	19	(5)	-	(6,959)	(6,190)	(219)
Increase (Decrease) in Accounts Payable	11,598	(277)	3,717	391	96	(152)	(520)	14,853	(15,694)
Increase (Decrease) in Due to Other Governments	3	-	-	-	-	-	-	3	6
Increase (Decrease) in Utility Deposits Payable	1,552	177	-	533	-	-	-	2,262	-
Increase (Decrease) in Customer Contracts Payable	-	-	(27)	89	-	-	-	62	-
Increase (Decrease) in Compensated Absences	275	21	66	(44)	20	44	144	526	135
Increase (Decrease) in Insurance Deposits	-	-	-	-	-	-	-	-	(20,325)
Increase (Decrease) in Lease Payable	-	-	-	-	-	-	-	-	(3)
Total Adjustments	49,900	1,932	27,879	6,851	7,453	2,155	(2,859)	93,311	(13,808)
Net Cash Provided by (Used for) Operating Activities	$ 103,791	$ 10,220	$ 36,541	$ 14,533	$ 90	$ 3,723	$ (25,958)	$ 142,940	$ (16,339)

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF NET POSITION
FIDUCIARY FUNDS
September 30, 2023
(in thousands)

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
ASSETS		
Cash and Cash Equivalents	$ 19,334	$ 212,218
Receivables		
Other Receivables	19	-
Accrued Interest	5,606	-
Taxes Receivable for Other Governments	-	8,505
Total Receivables	5,625	8,505
Investments, at Fair Value		
Mutual Index Funds	154,944	-
Private Equities	281,608	-
Fixed Income Securities	338,587	-
Domestic Equities	746,042	-
International Equities	175,835	-
Private Credit Funds	112,161	-
Alternative Investments	276,391	-
Timber	115,474	-
Total Investments	2,201,042	-
Securities Lending Collateral	69,707	-
Total Assets	$ 2,295,708	$ 220,723
LIABILITIES AND NET POSITION		
Liabilities		
Obligations Under Securities Lending	$ 69,707	$ -
Accounts Payable	4	5,382
Total Liabilities	69,711	5,382
Net Position		
Net Position Restricted for Pensions	2,225,997	-
Net Position Restricted for Other Governments	-	215,341
Total Net Position	2,225,997	215,341
Total Liabilities and Net Position	$ 2,295,708	$ 220,723

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

CITY OF TALLAHASSEE, FLORIDA
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Pension and Other Employee Benefit Trust Funds	Custodial Fund
ADDITIONS		
Contributions:		
Employer	$ 46,681	$ -
Plan Members	13,365	-
Total Contributions	60,046	-
Investment Return From Investment and Custodial Activities:		
Gain/Loss on Sale of Investments	33,013	-
Change in Fair Value of Investments	71,495	-
Interest Income	27,879	4,441
Dividends	23,550	-
Sales Taxes Collected for Other Governments	-	47,407
Grants Collected for Other Governments	-	1,074
Loan Proceeds Collected for Other Governments	-	9,940
Total Income (Loss) From Investment and Custodial Activities	155,937	62,862
Less Investment Expenses:		
Investment Management Fees	6,997	-
Interest Expense	35	-
Net Income (Loss) from Investing Activities	148,905	62,862
From Securities Lending Activities:		
Securities Lending Income	5,370	-
Less Securities Lending Expenses:		
Investment Management Fees	5,012	-
Net Income from Securities Lending Activities	358	-
Total Net Income (Loss) from Investment and Custodial Activities	149,263	62,862
Total Additions	209,309	62,862
DEDUCTIONS		
Benefits	131,281	-
Refunds of Contributions	902	-
Administrative Expense	1,097	-
Payments on Behalf of Blueprint Intergovernmental Agency	-	46,158
Payments on Behalf of Capital Region Transportation Planning Agency	-	1,010
Total Deductions	133,280	47,168
Change in Net Position	76,029	15,694
Net Position - October 1	2,149,968	199,647
Net Position - September 30	$ 2,225,997	$ 215,341

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

CITY OF TALLAHASSEE

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NOTES TO THE FINANCIAL STATEMENTS

Note I - Summary of Significant Accounting Policies

Note II - Reconciliation of Government-Wide and Fund Financial Statements

Note III - Stewardship, Compliance, and Accountability

Note IV - Detailed Notes - All Funds

Note V - Other Information

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

The City is a political subdivision of the State of Florida, located in Leon County in the center of the Florida Panhandle. It is approximately 104.7 square miles in area. It is the capital of Florida, the county seat, and the only incorporated municipality in Leon County. The City was incorporated in 1825 following a decision by the Florida Legislature to locate the capital of the new Florida Territory midway between the population centers of St. Augustine and Pensacola.

In the Code of Ordinances, Chapter 8374, Laws of Florida, Special Acts 1919, the City was granted a new City Charter by the State Legislature authorizing a Commission-Manager form of government. In the original charter, the five City Commissioners were elected at large for four-year terms and each year, the Commissioners selected the Mayor for a one-year term to act as the official representative for the City. Tallahassee voters approved a charter change in November 1996 calling for a separately elected Mayor, thereby changing the structure of the Tallahassee City Commission. The first elected Mayor was elected in February 1997 for a four-year term. The elected Mayor has powers commensurate with the other four members of the City Commission; however, he/she is able to serve as an ongoing contact for matters involving other governmental or institutional organizations, including the state legislature, county government, and local universities.

The City provides a full range of municipal services to its citizens. These services include public safety (police and fire), construction and maintenance of streets and sidewalks, stormwater management, recreation, public improvements, planning and zoning, and general administrative services. In addition, the City owns and operates ten enterprise funds which include an international airport, a bus system, a golf course, a solid waste collection system, four utilities (an electric generation transmission and distribution system, a natural gas distribution system, a water production and distribution system, and a sewage collection and treatment system), fire services, and a stormwater system.

In evaluating the City as a reporting entity, management has addressed all potential component units for which the City may or may not be financially accountable and, as such, be includable within the City's financial statements. The City (the primary government) is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City. Additionally, the primary government is required to consider other organizations for which exclusion of the nature and significance of their relationship with the City would cause the reporting entity's financial statements to be misleading or incomplete.

The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are in substance part of the City's operation. The discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

1. BLENDED COMPONENT UNIT

The City of Tallahassee Community Redevelopment Agency (CRA) was created in August 1998. The CRA Board was established in September 1998, and the Board membership was amended in September 2002, October 2007 and May 2018. The CRA was governed by an interlocal agreement between the City of Tallahassee, Leon County and the CRA that addresses, among other things, Board membership. Until May 24, 2018 the CRA Board membership included four Leon County Commissioners. However, on that date County participation as members to the CRA Board ended with the execution of the fourth amendment to the interlocal agreement. The CRA board is now composed of the same members of City Commission therefore the City Commission has influence and operational responsibility over CRA. The City of Tallahassee provides the CRA with professional and technical services such as, but not limited to, accounting, procurement, human resources, in-house legal, treasurer- clerk support and information systems. All revenues of the CRA are used in the following two districts to fund capital improvements within each district or to fund the debt service requirements of debt related to the CRA.

> Greater Frenchtown/Southside Community Redevelopment Area (GFSCRA) - The City Commission adopted the Greater Frenchtown/Southside Community Redevelopment Plan in June 2000. The GFSCRA consists of three distinct geographical sections of 1,859 acres of residential, commercial/retail and industrial land uses, located within the greater Frenchtown and Southside neighborhoods. The City Commission approved two expansions for the GFSCRA, one in 2016 and another in 2018, adding 578 parcels and over 400 acres, increasing the GFSCRA to 1,859 acres.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

1. Blended Component Unit

Downtown District Community Redevelopment Area (DDCRA) - The City Commission adopted the Downtown Community Redevelopment Plan in June 2004. The DDCRA consists of approximately 440 acres located in downtown and between the northern and southern portions of the Greater Frenchtown/South Community Redevelopment Area.

2. Discretely Presented Component Unit

Downtown Improvement Authority - The Downtown Improvement Authority (DIA) is an agency created by the Florida Legislature to regulate downtown growth. The City Commission appoints the governing board of the DIA. The City can impose its will on the DIA by approving and/or modifying its budget. There are no separately issued financial statements for the DIA. The DIA utilizes governmental fund accounting.

3. Joint Ventures Excluded from the Reporting Entity

Sunshine State Governmental Financing Commission

The Sunshine State Governmental Financing Commission (the "Commission") was created in 1985 through an interlocal agreement between the City of Tallahassee and the City of Orlando, Florida. Subsequently, a number of other Florida cities and counties joined the Commission. The Commission was created to provide active and more sophisticated debt issuers the opportunity to work together to create low cost, flexible financing instruments. On June 27, 2022, the Board of Directors of the Commission adopted a plan of dissolution which dissolved the Commission on April 5, 2023.

Capital Region Transportation Planning Agency

In December 2004, the Capital Region Transportation Planning Agency (CRTPA) was created through an inter-local agreement to act as the principal forum for collective transportation policy discussions that results in the development of a long range transportation plan which creates an integrated regional multimodal transportation network that supports sustainable development patterns and promotes economic growth. The CRTPA consists of voting representatives from Leon County, Gadsden County, Jefferson County, and Wakulla County; the City of Tallahassee, the City of Midway, the City of Quincy, the City of Chattahoochee, the City of Greensboro, the City of Gretna, and the Town of Havana; the Leon County School Board; and one non-voting representative from the Department of Transportation.

The CRTPA receives federal and state transportation funds for the performance of its transportation planning and programming activities. If operating expenses exceed the external funding obtained, the deficit is funded by the members of the CRTPA in proportion to their weighted votes. As a participating member of CRTPA, the City therefore has a limited share of financial responsibility for any such deficits.

Current audited financial statements may be obtained from the Capital Region Transportation Planning Agency, 300 S. Adams Street, Box A-19, Tallahassee, Florida 32301.

Consolidated Dispatch Agency

In December 2006, the Consolidated Dispatch Agency (CDA) was created through an inter-local agreement between the City of Tallahassee (City) and Leon County, Florida (County), and the Leon County Sheriff (Sheriff). The purpose of the CDA is to provide law enforcement and emergency dispatch services to the City and Leon County, Florida. On April 1, 2014, the commencement date, all existing dispatch operations personnel of the City, Sheriff, and the County became part of the CDA. The City of Tallahassee City Manager, the Leon County Administrator and the Leon County Sheriff constitute the CDA's Board of Directors.

The CDA is primarily funded by the City of Tallahassee and the Leon County Sheriff based upon the per capita population within the incorporated limits of the City of Tallahassee and within the unincorporated area of Leon County. For the twelve month period ended September 30, 2023, the City's contribution to the CDA was $6,948,510.

Audited financial statements may be obtained from the Consolidated Dispatch Agency, 300 S. Adams Street, Box A-19, Tallahassee, Florida 32301.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. REPORTING ENTITY

4. JOINTLY GOVERNED ORGANIZATION

City of Tallahassee-Leon County Blueprint Intergovernmental Agency

In October 2000, the City entered into an inter-local agreement with Leon County as authorized by Section 163.01(7) Florida Statutes. This agreement created the Blueprint Intergovernmental Agency (Blueprint) to govern the project management for the project planning and construction of a list of projects known as the Blueprint projects. The Board of County Commissioners and the City Commission constitute the Blueprint Intergovernmental Agency. The revenues to fund the projects under this agreement are the collections of the local government infrastructure sales surtax, which began December 1, 2004. This tax was extended pursuant to the provisions in Section 212.055, Florida Statutes, until December 31, 2039. In response to the passage of the extension, Blueprint also opened the Office of Economic Vitality whose purpose is to invest in and cultivate the evolving economic development landscape.

Current audited financial statements may be obtained from Blueprint Intergovernmental Agency, 315 S. Calhoun St., Suite 450, Tallahassee, Florida 32301.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. With the exception of interfund services provided and used, the effect of interfund activity has been eliminated in the process of consolidation. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those expenses 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 operation or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

The government-wide financial statements, proprietary fund, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year taxes are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Primarily grant revenues are susceptible to accrual.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period with the exception of grant revenues which are considered available if collected within 270 days. Revenues susceptible to accrual include grant and shared revenues. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, lease liabilities, subscription liabilities, as

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental fund:

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

The government reports the following major proprietary funds:

The Electric Fund accounts for the assets, operation and maintenance of the City-owned electric generation, transmission, and distribution system.

The Gas Fund accounts for the assets, operation and maintenance of the City-owned gas system.

The Sewer Fund accounts for the assets, operation and maintenance of the City's wastewater system.

The Water Fund accounts for the assets, operation, and maintenance of the City's water production and distribution system.

The Airport Fund accounts for the assets, operation, and maintenance of the City-owned international airport.

The Stormwater Management Fund accounts for the assets, operation, maintenance, and expansion of the City-owned stormwater utility system.

Additionally, the government reports the following fund types:

Internal Service Funds account for various services provided to other departments of the government and to other governments on a cost reimbursement basis. The services provided include an 800 MHz system, revenue collection, technology and information services, accounting, purchasing, fleet management, human resources, employee retirement plan administration, risk management, internal loan program, utility services functions, wholesale energy services, environmental services and facilities management, diversity and inclusion, and community relations.

The Pension and Other Employee Benefits Trust Funds include the Pension Trust Fund and the OPEB Trust Fund. The Pension Trust Fund includes a Defined Benefit Plan and a Defined Contribution Plan. It is used to account for the accumulation of resources to be used for retirement annuity payments to retired City employees. The Defined Benefit Plan accounts for general employees, police officers, and fire fighters separately. The Defined Contribution Plan covers all employees who elect to contribute a portion of their salary to the plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the general employees, police officers and fire fighters pension plans, and additions to/deductions from the respective plan's fiduciary net position have been determined on the same basis as they are reported by each of the plans. For this purpose, benefits payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The OPEB Trust Fund accounts for the accumulation of resources to be used for benefit payments for retirees health care costs.

The Custodial Fund is used to account for the funds held on behalf of two of the related but legally separate entities listed in Note 1.A. The first is the Capital Regional Transportation Planning Agency (CRTPA), a joint venture, and the second is the Blueprint Intergovernmental Agency (BPIA), a jointly governed organization. The City collects, invests and disburses funds on behalf of these two entities and there are also agreements in place with both for the Ciy to carry out several administrative functions.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, and fines and forfeitures, 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 nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

ongoing operations. The principal operating revenues of the enterprise funds, and of the City's internal service funds, are charges to customers for sales and services. The water and sewer funds also recognize as operating revenue the portion of the tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses that do not meet this definition are reported as nonoperating revenue and expenses. 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.

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

1. CASH AND CASH EQUIVALENTS

The City considers cash on hand, demand deposits, liquid investments with an original maturity of 90 days or less, and balances included within its cash and investments pool to be cash and cash equivalents. The City's cash and investments pool is an internal cash management pool used to obtain efficiencies of operation and improved financial performance, and includes certain non- pension cash, cash equivalent, and investment securities. Each fund maintains a share in the equity of the pool which is reported as cash and cash equivalents in the statements of net position since cash may be withdrawn from the pool at any time without penalty. Liquid investments classified as cash and cash equivalents include repurchase agreements purchased under the terms of the City's depository contract, open repurchase agreements, certificates of deposit, banker's acceptances, commercial paper, U.S. Treasury direct and agency obligations, holdings at the FLCLASS investment pool and the Florida League of Cities 1-3 Year Pool funds. Interest earned by the cash and investments pool is distributed to each fund monthly based on daily balances.

The City's bank balances are insured by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Depository Act (the Act). Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses, in excess of federal depository insurance and proceeds from the sale of the securities pledged by the defaulting depository, are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

2. INVESTMENTS

The City's investments are pension and other trust fund assets held in the fiduciary funds. Investments are carried at fair value, except for those investments for which net asset value or amortized cost is the most appropriate measurement.

The City categorizes its fair value measurements within the 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; Level 3 inputs are significant unobservable inputs. Investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets. Only equities (stock holdings) held by the City's pension trust fund are classified as Level 1 investments. Investments classified in Level 2 of the fair value hierarchy are based upon observable, market-based inputs for similar, but not identical, investments. Debt 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. The City's custodian uses the pricing services of multiple vendors to price the same assets to determine the most accurate price. Investments classified in Level 3 of the fair value hierarchy are based upon extrapolated data, proprietary pricing models and indicative quotes for similar securities. The City has relatively few investments that are classified as Level 3 for securities that are not traded frequently. The City has several investments that have their fair value determined by the net asset value of the investment holding. Investments in this category are not classified according to Levels 1, 2 and 3 of the fair value hierarchy.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

3. LEASES

As of October 1, 2021, the City adopted the provisions of GASB 87, Leases, which amended the existing accounting standards for lease reporting. The new guidance requires lessors in a leasing arrangement to recognize a lease receivable and a deferred inflow of resources for most leases (other than leases that meet the definition of a short-term lease) at lease commencement. The liability (lessees) or deferred inflow (lessors) will be equal to the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. Additionally, the new guidance requires lessees in a leasing arrangement recognize a right to use asset and a lease liability for most leases (other than leases that meet the definition of a short-term lease) at lease commencement. The liability will be equal to the present value of lease payments.

4. INVENTORY

The City maintains a variety of inventory types, such as fuel, materials and supplies, and retail merchandise, all of which utilize the consumption method stated at cost which approximates market. Inventory cost is determined using either the first-in, first-out method or the average cost method. Perpetual inventory records are maintained for all significant inventories. Reported inventories of the General Fund are equally offset by a reservation of fund balance(non-spendable), since they are unavailable for appropriation.

5. ADVANCES TO OTHER FUNDS

When applicable, noncurrent portions of interfund loans receivable (reported in “Advances to” asset accounts) of governmental funds are equally offset by a fund balance reserve account which indicates that they do not constitute “available spendable resources” since they are not a component of net current assets. Current portions of interfund receivables (reported in “Due from” asset accounts) are considered “available spendable resources.”

6. RESTRICTED ASSETS

Certain proceeds of the City’s enterprise funds revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the Statement of Net Position because their use is limited by applicable bond covenants. Assets are set aside for the following uses:

Revenue Bonds Current Debt Service – used to segregate resources accumulated for debt service payments over the next twelve months.

Revenue Bonds Future Debt Service – used to report resources set aside to make up potential future deficiencies in the revenue bonds current debt service account.

Revenue Bonds Renewal and Replacement – used to report resources set aside to fund asset renewals and replacements or to meet unexpected contingencies.

7. CAPITAL ASSETS

Capital assets and right to use leased assets, which include land, buildings, equipment, improvements other than buildings, intangibles and public domain infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than land and infrastructure, are defined as assets with a cost of $5,000 or more and an estimated useful life greater than one year. Land and infrastructure assets are long-lived capital assets that are stationary in nature and can be preserved for a significantly greater number of years than most general capital assets. Examples of infrastructure assets are roads, bridges, sidewalks, paved paths, utility systems, stormwater drainage systems, traffic control and lighting systems. In the initial capitalization of general infrastructure assets, the City chose to include all such items regardless of their acquisition date or amount. The City was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the City constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. The capitalization threshold for infrastructure assets has been set at $100,000 for roadways and $50,000 for other infrastructure assets. Land assets have no capitalization threshold, therefore all city-owned land is capitalized. All reported capital assets, except land and construction in progress, and all reported right to use leased assets are depreciated/amortized.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

7. Capital Assets

Other capital assets are recorded at historical cost when purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition cost. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Major outlays for constructed capital assets and improvements are capitalized as projects are completed.

The right to use assets are initially measured at an amount equal to the present value of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

The right to use Subscription-Based Information Technology Arrangement (SBITA) assets are initially measured at an amount equal to the present value of the SBITA liability plus any SBITA payments made at the start of the SBITA term, if applicable, plus capitalizable initial implementation costs at the start of the SBITA term, less any incentives received from the SBITA vendor at the start of the SBITA term. The right to use SBITA assets are amortized on a straight-line basis over the SBITA term.

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund's financial statements. These general capital assets are included in the governmental activities column of the government-wide financial statements. Capital assets used in the Enterprise and Internal Service Funds are accounted for in the respective funds. All vehicles of the City are accounted for in the Garage Fund, an Internal Service Fund, with the exception of StarMetro vehicles (generally buses). StarMetro vehicles are accounted for in their own fund. Depreciation on all exhaustible capital assets used in the Enterprise and Internal Service Funds is charged as an expense against their operations. Accumulated depreciation is reported on the respective fund's balance sheet.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

ASSETS	YEARS
Buildings	20 to 40
Right to Use Leased Buildings	based on lease term
Improvements other than buildings	10 to 40
Equipment and machinery	5 to 40
Right to Use Leased Equipment	based on lease term
Vehicles	5 to 20
Infrastructure	10 to 60
SBITAs	based on SBITA term

8. Deferred Outflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resource (expense) until then. Changes in the fair value of effective hedging derivatives are reported as deferred inflows or outflows of resources. The deferred losses on refunding results from the difference in the carrying value of refunded debt and reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amounts for pensions and OPEB relate to certain differences between projected and actual actuarial results, certain differences between projected and actual investment earnings, as well as contributions between measurement and reporting dates, which are accounted for as deferred outflows of resources.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

9. COMPENSATED ABSENCES

All non-union employees earn vacation and sick leave starting with the first day of employment; all non-union employees earn vacation and sick leave based on the number of hours worked. Vacation leave is earned based on creditable service hours worked as follows:

EXECUTIVE		SENIOR MANAGEMENT		GENERAL	
Creditable Service Hours	Leave earned per hour	Creditable Service Hours	Leave earned per hour	Creditable Service Hours	Leave earned per hour
0 - 2,079	0.057693	0 - 2,079	0.057693	0 - 10,400	0.057693
2,080 - 10,400	0.080770	2,080 - 10,400	0.069231	10,401 - 20,800	0.069231
10,401 - 20,800	0.092308	10,401 - 20,800	0.080770	20,801 - 41,600	0.080770
over 20,800	0.103847	20,801 - 41,600	0.092308	over 41,600	0.092308
		over 41,600	0.103847		

A maximum of 344 hours of vacation leave time may be carried over from one calendar year to the next for executive employees and a maximum of 264 hours for senior management and general employees. An employee who terminates employment with the City is paid for any unused vacation leave accumulated to the time of termination.

Sick leave is earned at the rate of .023077 hours for each hour of service with no maximum limit on the number of hours which may be accumulated. A non-unionized employee who terminates from the City for any reason other than termination for cause will be paid one-half of the total amount of sick leave (without regard to catastrophic illness leave) accumulated by the employee on the effective date of termination. A unionized employee who terminates from the City for any reason other than termination for cause will be paid one-third of the total amount of sick leave without regard to catastrophic illness leave accumulated by the employee on the effective date of termination. If the employee dies, the sick leave amount will be paid to the employee's beneficiary or estate. Retiring employees can elect the option of using the accumulated sick leave amount to purchase single coverage health insurance in lieu of receiving payment.

Accumulated current and long-term vacation and sick pay amounts are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for the amounts is reported in the governmental funds only if they have matured, as a result of employee resignation and retirements.

Employees covered by the Police and Fire bargaining units shall accrue vacation time on the following basis:

POLICE BARGAINING UNIT		FIRE BARGAINING UNIT			
		Suppression Personnel		Forty-hour Personnel	
Creditable Service Hours	Leave Earned Per Hour	Years of Continuous Service	Hours Accrued Monthly	Years of Continuous Service	Hours Accrued Monthly
0-10,400	0.046154	1-5 years	13.25	1-5 years	10
10,401-20,800	0.057693	6-10 years	15.90	6-10 years	12
20,801-41,600	0.069231	11-15 years	18.55	11-15 years	14
over 41,600	0.080770	16-20 years	21.20	16-20 years	16
		over 20 years	23.85	over 20 years	18

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

9. Compensated Absences

For employees covered by the Police bargaining unit, accrued vacation time may not be carried over in excess of 33 days (264 hours). As of the end of the calendar year, accrued vacation time in excess of 264 hours shall be reduced to no more than 264 hours for any individual employee.

For employees covered by the Fire bargaining unit, accrued vacation at the end of the calendar year may not be carried over in excess of 264 hours for 40-hour supervisory personnel, and 350 hours for 53-hour supervisory personnel. For non-supervisory firefighters who are 40-hour personnel, accrued vacation time may not carry over in excess of 240 hours in a calendar year, and for non-supervisory firefighters who are 53-hour personnel, accrued vacation time may not carry over in excess of 318 hours in a calendar year.

Employees covered by the Police bargaining unit shall accrue sick leave at the rate of .046154 hours per hour worked, which is the fractional equivalent of eight (8) hours per month. There is no maximum limit on the number of hours which may be accumulated by an employee.

Employees covered by the Fire bargaining unit shall accrue sick leave credit at the rate of 10.6 hours of sick leave per month for suppression personnel and 8 hours of sick leave per month for forty-hour personnel. There is no maximum limit on the number of sick leave hours which may be accumulated by an employee.

For employees covered by the Police bargaining unit, payment for sick leave will be made for 33 1/3% (1/3) of the unused sick leave balance credited to an employee at the time of retirement or death, up to a maximum of seven hundred (700) hours, provided that the unused sick leave balance credited to the employee at the time of retirement or death equals at least three hundred (300) hours. If the unused sick leave balance credited to an employee at the time of retirement or death equals less than three hundred (300) hours, payment will be made for 25% (1/4) of the unused balance.

For employees covered by the Fire bargaining unit, a fire suppression employee who retires or dies will be paid for 33 1/3% (1/3) of the unused sick leave balance credited to the employee at the time of retirement or death, provided that the unused sick leave balance credited to the employee at the time of retirement or death equals at least three hundred ninety-eight (398) hours. If the unused sick leave balance credited to the employee at the time of retirement or death equals less than 398 hours, the employee who retires or dies will be paid 25% (1/4) of the unused balance. A 40-hour employee who retires or dies will be paid for 33 1/3% (1/3) of the unused sick leave balance credited to the employee at the time of retirement or death, provided that the unused sick leave balance credited to the employee at the time of retirement or death equals at least three hundred (300) hours. If the unused sick leave balance credited to the employee at the time of retirement or death equals less than three hundred (300) hours, the employee will be paid for 25% (1/4) of the unused balance. An employee who accidentally dies while engaged in the performance of their firefighter duties, or who receives accidental bodily injury which subsequently results in the loss of their life within one (1) year after being received, provided that such a death is not the result of suicide and that such bodily injury is not intentionally self-inflicted, and the accidental death occurs as a result of the firefighter's response to what is reasonably believed to be an emergency involving the protection of life or property, will be paid 100% of the accrued but unused sick leave credited to them at the time of death.

In either of the above-described cases, the payment for unused sick and vacation leave will be made at the employee's straight time base rate.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

10. Bond Premiums, Discounts and Refunding Gains and Losses

In the government-wide financial statements and in the proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are amortized over the life of the bonds at the rate at which principal payments are made which approximates the effective interest method. Bond issuance costs are expensed in the year they are incurred. Bond refunding gains and losses are deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method. As a result of adopting GASB Statement No. 65, there are deferred inflows and outflows related to gains and losses on bond refundings in the Government Wide Statement of Net Position as well as in the Enterprise Funds Statements of Net Position. In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued and premiums on debt issuances are reported as other financing sources. Discounts 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.

11. Deferred Inflows of Resources

Deferred inflows of resources represent an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resource (revenue) until that time. Changes in the fair value of effective hedging derivatives are reported as deferred inflows or outflows of resources. The deferred gain on refunding results from the difference in the carrying value of refunded debt and reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amounts for pensions and OPEB relate to certain differences between projected and actual actuarial results and certain differences between projected and actual investment earnings, which are accounted for as deferred inflows of resources. The city also recognizes a deferred inflow of resources at the initial measurement of lease receivables. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

12. Indirect Cost Allocation

The City currently employs an indirect cost allocation system based upon an internal cost analysis. An administrative service fee is charged by the General Fund to the other operating funds to address General Fund administrative services provided (e.g., legal, cash management, internal audit, and executive services). At the fund-level statements, the administrative service fee is included in the General Fund's Miscellaneous Revenue line item and in the other operating funds in the Contractual Services line. This administrative service fee is eliminated at year-end in the government-wide statements.

13. Fuels Management Program

In connection with the purchase of natural gas, diesel fuel, and unleaded gasoline, the City has developed and implemented a fuels management program intended to manage the risk of changes in the market prices of natural gas, diesel fuel, and unleaded gasoline. Pursuant to this program the City may execute fixed price and option contracts from time to time to help manage fluctuations in the market price of such fuels. The contracts are recorded at fair value on the Statement of Net Position as they have been determined to qualify as derivative instruments under GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments". Such amounts are included in noncurrent assets and deferred inflows of resources. Any associated margin deposits are also recorded in noncurrent assets. The net amounts received or paid under expired or closed contracts are recorded as an adjustment to fuel expense in the period realized. See Note V, section I.

NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. ASSETS, LIABILITIES, DEFERRED INFLOWS/OUTFLOWS OF RESOURCES, AND NET POSITION

13. Fuels Management Program

The City uses two different types of transactions to hedge natural gas volumes for future periods. The first is through the Chicago Mercantile Exchange (CME Group) where futures/options contracts are bought and sold through an Introducing Broker (IB) such as ADM Investor Services which the City uses. All "Exchange" based transactions require margining to make trades. The margin is composed of two parts, the initial margin which is meant to capture one day's worth of volatility and the maintenance margin which equals the difference between the hedge price and the market price. Since no credit is extended to any party on the exchange, the City must maintain monies on hand or send enough margin monies to settle the positions on any given day. In order to enable exchange-based hedging, the City Commission authorized $30 million from the electric operating reserve fund for this purpose in November 2008. The majority of the hedging transactions in the fiscal year were bilateral Over The Counter (OTC) trades between the City and another counterparty. These types of transactions are subject to negotiated credit limits but not margining.

The biggest risk to the City is the volatile price of natural gas. The goal of the hedging program is to reduce the size of this risk. The ratepayers pay for the natural gas costs through the ECRC and PGRC fuel clauses on their electric and gas bills. Because the City buys nearly $100 million worth of natural gas each year and market price can easily increase by 100%, it's important for the City to manage this risk. The City is precluded from taking on more hedging positions on the exchange than it can support with the $30 million margining limit. If the City were to get close to the $30 million limit no more exchange-based trades would be executed. The hedging program is overseen by the Energy Risk Policy Committee (ERPC) which is comprised of the City Manager, City Attorney, Treasurer-Clerk, City Inspector General, an Assistant City Manager, the General Manager for the Electric & Gas Utility and senior utility staff.

As of September 30, 2023, the City no longer had any open positions on the exchange. However, seventy-five percent of the City's volumes are hedged in the OTC market with J Aron, Shell, BP and Conoco Phillips through September 2024. Because the City's hedged positions are well below the market, the financial statements reflect $23,887,485 in deferred inflows from these counterparties. By trading with multiple, highly rated, counterparties in the OTC market the City diversifies its counterparty risk.

The City uses an allowance account to manage fluctuations in future electric and gas costs. These costs are evaluated biannually and any amounts over or under recovered are amortized over the following six months. This allowance is included in Accounts and Retainage Payables.

This Summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements. The policies are considered essential and should be read in conjunction with the accompanying financial statements. The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applicable to governmental units. This report, the accounting systems and classification of accounts conform to standards of the Governmental Accounting Standards Board (GASB).

NOTE II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUNDS BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental funds balance sheet includes a reconciliation between fund balances – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, compensated absences, deferred outflows of resources, net pension liability, and net OPEB obligation are not due and payable in the current period and therefore are not reported in the funds." The details of this $295,803 difference are as follows (in thousands):

Bonds and Loans Payable including Premiums and Discounts	$	(79,287)
Effect of Deferred Loss on Refunding		(4,167)
Compensated Absences		(11,964)
Net OPEB Liability		(37,161)
Net Pension Liability		(154,509)
Lease Liability		(8,973)
Cash Balances in Long Term Debt Fund		258
Net adjustments to reduce long-term liabilities of Total Governmental Funds to arrive at Net Position	$	(295,803)

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances - total governmental funds and net change in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation states, "Capital Outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense." The details of this $17,459 difference are as follows (in thousands):

Capital Outlay	$	21,049
Depreciation/Amortization Expense		(38,508)
Net adjustment to increase net change in Fund Balances Total Governmental Funds to arrive at Changes in Net Position Governmental Activities	$	(17,459)

NOTE III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General and Enterprise Funds. The budget is adopted at the fund level and administered at the department level. The difference between budgetary revenues and expenditures and modified accrual basis revenues and expenditures as reported in the general fund financial statements are explained in the budgetary comparison schedule Note to Required Supplementary Information of this report. The City Manager is authorized to transfer budget amounts within funds; however, any revision that alters the total expenditures of any fund must be approved by the City Commission. Unencumbered appropriations are closed at year-end.

Encumbrance accounting, under which requisitions, purchase orders, contracts, and other commitments for the expenditures of resources are recorded to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the governmental funds.

B. COMPLIANCE WITH FINANCE - RELATED LEGAL AND CONTRACTUAL PROVISIONS

The City had no material violations of finance-related legal or contractual provisions.

C. DEFICIT FUND EQUITY - FUND BALANCE OF INDIVIDUAL FUNDS

At the fiscal year end, the following internal service funds had deficits: Human Resources $404,000, Diversity and Inclusion $1,000, Wholesale Energy Service $570,000 and Community Relations $35,000. These nonmajor governmental funds also had a deficits: Capital Bonds Construction Fund $14,465,000 and the State Housing Partnership Fund $269,000.

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

The City reports the following cash, cash equivalents and investments in the statements of net position at September 30, 2023 (in thousands):

	Primary Government	Component Unit	Fiduciary Funds - Pension/OPEB	Fiduciary Funds - Custodial Fund
Cash and cash equivalents	$ 177,043	$ 191	$ 19,334	$ 212,218
Cash and cash equivalents – restricted	315,652	-	-	-
Investments	-	-	2,201,042	-
Total	$ 492,695	$ 191	$ 2,220,376	$ 212,218

As discussed in Note I.D. the City's cash and cash equivalents include cash, cash equivalents, and funds held in a cash and investments pool. The City's investments are monies held by the City's pension funds.

According to the City Charter, the City Treasurer-Clerk is designated to invest all monies belonging to the City pursuant to the policies approved by the City Commission, except those monies in the pension funds. Monies in the pension funds are invested under the auspices of the City Charter- created Sinking Fund Commission, which consists of the five City Commissioners and three appointed members. Under the policies approved by the City Commission and the Sinking Fund Commission, the day-to-day investment of all monies is managed by the City Treasurer-Clerk.

The City has two approved investment policies: 1) the Non-Pension Investment Policy, which is approved by the City Commission and governs the investment of all non-pension monies of the City, including the previously referenced cash and investments pool, and 2) the Pension Investment Policy, which is approved by the Sinking Fund Commission and governs the investment of assets of the City's Pension Funds. The Non-Pension Investment Policy provides for a Core Portfolio, governing the investment of all monies held or controlled by the City, not otherwise classified as Specialized or Pension Fund monies. The Non-Pension Investment Policy specifies the investments that are authorized for purchase within the Core Portfolio. The Non-Pension Investment Policy further provides for the establishment of Specialized Portfolios, with the governing criteria unique to that portfolio, including authorized investments, to be approved on a case-by-case basis by the Investment Advisory Committee. In addition to authorizing investment instruments, the City's investment policies also identify various portfolio parameters addressing issuer diversification, term to maturity and liquidity, and the requirement of "purchase versus delivery" perfection for securities held by a third party on behalf of and in the name of the City.

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

1. CASH AND CASH EQUIVALENTS

The following table presents the City's primary government cash and cash equivalent balances at September 30, 2023 carried at fair value by level within the valuation hierarchy, financial assets carried at net asset value or amortized cost, and other cash and cash equivalent balances. The amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position (in thousands).

Cash equivalents type by fair value level	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Debt securities	$ 468,050	$ 330	$ 467,720	$ -
Total cash equivalents at fair value	468,050	330	467,720	-
Cash equivalents recorded at net asset value				
Other Cash and Cash Equivalents	19,415			
FL League of Cities 1-3 Year Pool	5,230			
Total cash and cash equivalents	$ 492,695			

At year-end, the book balance of the City's operating cash deposits was $(3,310,000) and the bank balance was $644,000, which is included in total other cash and cash equivalent balances. The difference between the book balance and bank balance is due to outstanding checks and deposits. Nine City funds had deficit cash balances at year end totaling $80,197,830 which is reported in interfund payables at September 30, 2023.

The City's Core Portfolio includes investments administered internally by the City, funds invested in external investment pools, and funds invested in externally managed portfolios. The external managers for these portfolios include Wells Fargo, Galliard Capital Management, Income Research and Management and Wellington Management Company. The external investment pools are the Florida Municipal Investment Trust Portfolio 1-3 Year High Quality Bond Fund (the "Florida League of Cities 1-3 Year Pool"), administered by the Florida League of Cities, and Florida Cooperative Liquid Assets Securities System ("FLCLASS"), an intergovernmental investment pool administered by Public Trust Advisors, LLC. FLCLASS is an authorized local government investment pool under Section 218.415(16)(a), Florida Statutes, by and for participating Florida public agencies. A copy of the Florida Municipal Investment Trust audited financial statements may be obtained from the Florida Municipal Investment Trust, 301 South Bronough Street, Suite 300, Tallahassee, FL 32301. A copy of the FLCLASS audited financial statements may be obtained at their offices, 201 E. Pine Street, Suite 750, Orlando, FL 32801.

The Florida League of Cities 1-3 Year Pool is measured at net asset value (NAV). At September 30, 2023, the City owns $5,229,795 in shares of the Florida League of Cities 1-3 Year Pool, not the individual securities within the portfolio. The modified duration of the Florida League of Cities 1-3 Year Pool as of September 30, 2023, was 1.60 years. The Florida League of Cities 1-3 Year Bond Fund (Florida League of City's Fund) allows the City to withdraw any or all of its assets on the 15th and last day of each month, provided the City gives the Florida League of City's Fund advance notice of at least 10 business days of the withdrawal. The pool is rated AAAf/S1 by Fitch Ratings.

The FLCLASS investment pool is measured at net asset value (NAV). At September 30, 2023,the City owned $41,817,664 in shares of FLCLASS, not the individual securities within the portfolio. The Pool is a 2a-7 like pool which maintains a stable net asset value of $1, is rated AAAm by Standard & Poor's, and has a weighted average days to maturity of 66 days. The FLCLASS pool allows the City to withdraw any or all its assets on any business day that the pool is open.

Credit Risk: The structure of the City's non-pension portfolio is designed to minimize credit risk. To limit the City's risk against possible credit losses, a maximum of 5% of the total portfolio may not be held at any one time in all securities of any corporate entity, inclusive of commercial paper, medium term notes, or corporate notes and bonds. No corporate entity represented more than 5% of the portfolio at September 30, 2023. The majority of the securities held are of the highest available credit quality ratings. The non-pension portfolio's credit quality is measured using the Standard & Poor's rating scale.

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

1. CASH AND CASH EQUIVALENTS

As of September 30, 2023, the City had the following non-pension investments subject to credit risk in the internal and externally managed portions of the portfolio, in addition to the previously discussed shares in the Florida League of Cities 1-3 Year Pool and FLCLASS:

Quality Breakdown	Portfolio Percentage
U.S. Treasury	13.43 %
U.S. Agency	22.07
AAA	23.94
AA	9.85
A	24.22
BBB	4.54
Other	1.95
Total	100.00 %

Interest Rate Risk: In accordance with the City's Non-Pension Investment Policy, the City has established maturity limitations for each authorized investment category. The maximum duration of the various investments within the internally managed portion of the non-pension portfolio ranges from 60 days to 3.5 years. The maximum duration for externally managed investments ranges from 3.0 years to 6.0 years. The option adjusted duration of the non-pension portfolio as of September 30, 2023 was 2.38 years.

As of September 30, 2023, the Core Portfolio had the following investments on a time-segmented basis (in thousands):

Investment Type	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	10+ Years
U.S. Treasury	$ 72,135	$ 24,752	$ 46,455	$ 574	$ 354
U.S. Agency	99,980	22,247	51,451	11,290	14,992
Asset-backed	22,508	26	18,676	3,213	593
Corporate Bonds	153,955	39,393	94,393	18,343	1,826
Municipal	41,766	16,742	21,897	1,331	1,796
Other	77,706	2,279	1,980	3,015	70,432
Subtotal	468,050	$ 105,439	$ 234,852	$ 37,766	$ 89,993
Commingled	24,645				
Total	$ 492,695				

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

2. INVESTMENTS

The following table presents investments held in the City's fiduciary funds at September 30, 2023 carried at fair value by level within the valuation hierarchy and investments carried at net asset value or amortized cost (in thousands).

Investment type by fair value level	Total	Quoted Prices in Active Markets for Identical Assets Level 1	Significant Other Observable Inputs Level 2	Significant Unobservable Inputs Level 3
Debt securities	$ 247,477	$ 12,592	$ 234,885	$ -
Equity securities	924,308	923,034	637	637
Total investments at fair value	1,171,785	$ 935,626	$ 235,522	$ 637
Investments measured at net asset value				
Mutual index funds	154,944			
Debt securities	108,013			
Alternative investments	276,391			
Private equity funds	281,608			
Timber	115,474			
Private Credit Funds	112,161			
Total investments measured at net asset value	1,048,591			
Total investments	$ 2,220,376			

The assets shown as Level 1 Inputs represent those investments for which the City's custodian had directly observable, quoted prices (unadjusted) in active markets for identical assets or liabilities. The assets shown as Level 2 Inputs represent those investments for which the City's custodian had inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs are derived from or corroborated by observable market data through correlation or by other means. The assets shown as Level 3 Inputs represent those investments for which the City's custodian utilized unobservable inputs when relevant Level 1 and Level 2 inputs were unavailable. The level in which an asset is assigned is not indicative of its quality but an indication of the source of valuation. There were no changes in the valuation techniques used by the City's custodian from the end of the prior fiscal year.

The Mutual funds category is comprised of the invested assets of the defined contribution portion of the City's pension plan, which are used to pay matching contributions to City retirees. As of September 30, 2023, these investments totaled $154,944,000.

The Debt securities category is comprised of two, commingled accounts in the Pension Fund: one investing in core fixed-income, the second investing in bank loans. The Pension Fund may withdraw from the core fixed-income account at any time with reasonable notice (five business days are recommended); the fund may withdraw from the bank loans account by providing advance notice of 30 days, with redemptions made on the 15th day of the month.

The real estate investment consists of commingled funds and a number of limited partnerships. The City has invested in two commingled funds. The commingled funds permit withdrawals once per quarter by providing advance notice of 45 days prior to the end of the quarter; all withdrawals are subject to available cash, as determined by the fund's Trustee. Available cash is defined as excess cash after provision for outstanding future capital commitments and other operating reserves. If withdrawal requests exceed available cash, distributions are made on a pro rata basis. Withdrawal requests are typically paid on the final day of the quarter. As of September 30, 2023, the commingled funds had a NAV of approximately $104 million.

Real estate limited partnerships cannot be redeemed at the option of the Pension Fund; the Pension Fund will receive distributions over the life of each limited partnership. Each partnership is expected to distribute the principal and earnings to the Pension Fund over a period of approximately 12 years from the establishment date of the partnership. The Pension Fund has investment commitments in 18 active limited partnerships, all of which have varying start dates and commitment amounts. As of September 30, 2023, the Pension Fund had approximately $100 million in remaining commitments to these various real

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

2. INVESTMENTS

estate partnerships, with an expectation that the total contributions to each partnership will ultimately reach about 95% of the total commitment amount for each individual partnership.

Private equity funds consist of several limited partnerships as of September 30, 2023. The limited partnerships cannot be redeemed at the option of the Pension Fund; the Pension Fund will receive distributions over the life of each limited partnership. Each partnership is expected to distribute the principal and earnings to the pension fund over a period of approximately 12 years from the establishment date of the partnership. The Pension Fund has investment commitments in eleven active limited partnerships, all of which have varying start dates and commitment amounts. As of September 30, 2023, the Pension Fund had approximately $30 million in remaining commitments to these various partnerships, with an expectation that the total contributions to each partnership will ultimately reach about 85% of the total commitment amount for each individual partnership.

Timber funds are comprised of several limited partnerships. The limited partnerships cannot be redeemed at the option of the Pension Fund; the Pension Fund will receive distributions over the life of each limited partnership. Each partnership is expected to distribute the principal and earnings to the Pension Fund over a period of approximately 12 years from the establishment date of the partnership. The Pension Fund has investment commitments in five active limited partnerships, all of which have varying start dates and commitment amounts. As of September 30, 2023, the Pension Fund had approximately $0 million in remaining commitments to these various timber partnerships.

Private credit funds are comprised of several limited partnerships. The limited partnerships cannot be redeemed at the option of the Pension Fund; the Pension Fund will receive distributions over the life of each limited partnership. Each partnership is expected to distribute the principal and earnings to the Pension Fund over a period of approximately six to ten years from the establishment date of the partnership. The Pension Fund has investment commitments in six active limited partnerships, all of which have varying start dates and commitment amounts. As of September 30, 2023, the Pension Fund had approximately $68 million in remaining commitments to these various private credit partnerships, with an expectation that the total contributions to each partnership will ultimately reach about 85% of the total commitment amount.

Credit Risk: The City's Investment Policy for the Pension Plan requires its fixed-income managers to manage a high-grade portfolio of bonds. The individual money managers evaluate risk in their selection of bond securities to hold in their portfolios. The Pension Plan measures credit quality using the Standard & Poor's rating scale.

As of September 30, 2023, the City had the following pension investments subject to credit risk:

Quality Breakdown	Portfolio Percentage
US Treasury	29.08 %
US Agency	11.50
AAA	5.30
AA	1.17
A	5.05
BBB	7.78
BB	0.03
CC	0.11
Commingled	39.98
Total	100.00 %

NOTE IV. DETAILED NOTES - ALL FUNDS

A. CASH, CASH EQUIVALENTS, AND INVESTMENTS

2. INVESTMENTS

Foreign Currency Risk: The City's Investment Policy for the Pension Plan does not explicitly address foreign currency risk. The investment policy specifies the market sectors of the investments and the benchmark for each sector. Individual money managers are hired to manage each sector and are evaluated on their performance against that benchmark. The individual money managers evaluate risk in their selection of securities to hold in their portfolios.

The following table below shows the Foreign Currency Risk for the City's Pension Plan with the amount (in thousands) and the percentage each currency represents for the Pension Plan's cash, cash equivalents and investments:

	Exposure	Percentage
United States Dollar	$ 2,563,066	94.23 %
Euro	54,064	1.99
Swiss Franc	24,964	0.92
Japanese Yen	24,089	0.89
British Pound Sterling	23,988	0.88
Danish Krone	7,951	0.29
Australian Dollar	6,943	0.26
Canadian Dollar	5,988	0.22
Singapore Dollar	3,228	0.12
Swedish Krona	2,743	0.10
Norwegian Krone	843	0.03
New Israeli Shekel	483	0.02
Hong Kong Dollar	433	0.02
HK Offshore Chinese Yuan Renminbi	406	0.01
Mexican Pseo	221	0.01
Brazilian Real	193	0.01
South Korean Won	159	0.01
Taiwan Dollar	121	-
Total	$ 2,719,883	100 %

Interest Rate Risk: The City of Tallahassee's Investment Policy for the Pension Plan does not explicitly address interest rate risk. The investment policy specifies the market sectors of the investments and the benchmark for each sector. Individual money managers are hired to manage each sector and are evaluated on their performance against that benchmark. The individual money managers evaluate risk in their selection of securities to hold in their portfolios.

The City of Tallahassee held the following debt securities for its Pension Fund on a time-segmented basis as of September 30, 2023 (in thousands):

Investment Type	Fair Value	Less than 1 Year	1-5 Years	6-10 Years	10+ Years
US Treasury	$ 82,780	$ -	$ 33,478	$ 42,979	$ 6,323
US Agency	30,561	-	-	211	30,350
Asset Backed	11,002	-	2,197	4,128	4,677
Corporate Bonds	54,062	3,054	20,599	20,743	9,666
Mortgage Securities	6,057	-	199	408	5,450
Municipal	46,246	-	3,230	4,854	38,162
Other	652	652	-	-	-
Subtotal	231,360	$ 3,706	$ 59,703	$ 73,323	$ 94,628
Commingled	107,227				
Total	$ 338,587				

NOTE IV. DETAILED NOTES - ALL FUNDS

B. SECURITIES LENDING TRANSACTIONS

In accordance with Section 51 of the City Charter, the City Treasurer-Clerk or his designee may authorize investment transactions that he considers prudent. Accordingly, the City participates in securities lending transactions via a Securities Lending Agreement with The Northern Trust Company ("Northern") that authorizes the banking institution to lend the City's securities to approved broker-dealers and banks in order to generate additional income. Gross income from securities lending transactions and the fees paid to Northern are reported in the City's statements. Assets and liabilities include the value of the collateral held.

During the fiscal year ended September 30, 2023, Northern loaned, at the direction of the City's Treasurer-Clerk, securities and received cash, securities issued or guaranteed by the United States government, and irrevocable bank letters of credit as collateral. Northern does not have the ability to pledge or sell collateral securities delivered absent a borrower default. Borrowers were required to deliver cash collateral for each loan equal to at least 102% of the initial fair value of the loaned securities or if the borrowed securities and the collateral were denominated in different currencies, equal to 105% of the fair value of the securities.

There are no restrictions on the amount of securities that may be loaned. The Agreement requires Northern to indemnify the City for losses attributable to violations by Northern of the Standard of Care set out in the Agreement. There were no such violations during the fiscal year ended September 30, 2023. Moreover, there were no losses during the fiscal year ended September 30, 2023 resulting from a default of any borrower.

During the fiscal year ended September 30, 2023, the City and each borrower maintained the right to terminate all securities lending transactions on demand. For the Pension Fund, the cash collateral received on each loan of securities together with the cash collateral of other qualified plan lenders were invested in a collective investment pool with Northern. The cash collateral for the non-pension funds lending activity was invested in a liquid assets portfolio institutional account. Because the loans are terminable at will, their duration did not generally match the duration of the investments made with the cash collateral. For the Pension Fund, the average term of the loan was approximately 120 days and the average duration of the investment pool was 21 days. For the non-pension funds, the average term of the loan was 19 days and the average duration of the investment pool was 21 days. On September 30, 2023, the City had no credit risk exposure to borrowers.

On September 30, 2023, for the City's Pension Fund, the collateral held and the fair value of securities on loan were $69,635,000 and $67,905,000, respectively; for the City's non-pension funds, the collateral held and the fair value of securities on loan were $2,984,000 and $2,902,000 respectively.

A summary of the fair value of the securities on loan as of September 30, 2023 follows (in thousands):

	Pension Fund	Non-Pension Fund
Corporate Bonds	$ 8,540	$ 2,902
Common Stock	34,040	-
U.S. Government Treasury Notes	25,325	-
	$ 67,905	$ 2,902

C. RECEIVABLES

1. PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Leon County Property Appraiser and the Leon County Tax Collector. The laws of the State regulating tax assessment are also designed to ensure consistent property taxes at a rate of up to 10 mills. The millage rate assessed by the City for the fiscal year ended September 30, 2023 was 4.1. All property is assessed by the county according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the State Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of State Statutes.

The current year taxes for the fiscal year, beginning October 1, are billed in the month of November and are due no later than March 31. On April 1, all unpaid amounts become delinquent and are subject to interest and penalties. Discounts are allowed

NOTE IV. DETAILED NOTES - ALL FUNDS

C. RECEIVABLES

1. PROPERTY TAXES

for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January and 1% in the month of February. The taxes paid in March are without discount. Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the seven year statute of limitations.

The City Tax Calendar is as follows: Valuation Date: January 1; Levy Date: November 1; Due Date: March 31, Succeeding Year; and Lien Date: April 1, Succeeding Year.

2. LEASES

The City leases land, offices and buildings, equipment, and infrastructure capital assets including Airport infrastructure and land (non-regulated leases), to various third-party tenants doing business in the City of Tallahassee. The leases have terms including options to extend between one and twelve years, with payments required monthly, semiannually, or annually. At the commencement of the leases, the lease receivables are measured at the present value of payments expected to be received during the lease term.

In fiscal year 2023, the city recognized $1,411,648 of lease revenue and $53,534 of interest revenue related to these leases. As of September 30, 2023, the City's lease receivables were valued at $3,338,760.

The principal and interest requirements to maturity for the lease receivables as of September 30, 2023, are as follows (in thousands):

	Governmental Activities	
Year Ending September 30,	Principal	Interest
2024	$ 771	$ 26
2025	497	18
2026	177	14
2027	99	12
2028	94	10
2029-2033	659	36
Total	$ 2,297	$ 116

	Business-Type Activities			
Year Ending	Water		Airport	
September 30,	Principal	Interest	Principal	Interest
2024	$ 251	$ 8	$ 271	$ 5
2025	175	6	32	1
2026	141	4	18	-
2027	154	2	-	-
Total	$ 721	$ 20	$ 321	$ 6

NOTE IV. DETAILED NOTES - ALL FUNDS

C. RECEIVABLES

3. REGULATED LEASES

The City has leasing agreements for aeronautical use of the Airport's airfield, terminal, and other facilities as defined by the Federal Aviation Administration, which qualify to be treated as regulated in accordance with the requirements of GASB 87. The City leases land and buildings to third parties under these agreements.

As of September 30, 2023, the remaining amount of expected future minimum payments under these agreements is as follows (in thousands):

Year ending September 30,	
2024	$ 6,843
2025	7,953
2026	1,198
2027	1,204
2028	1,135
2029-2033	5,525
2034-2038	4,683
2039-2043	2,363
2044-2048	1,065
2049-2053	967
	$ 32,936

Effective October 2022, the City entered into three-year lease and use agreements with its major airline tenants, (the Signatory Airline Agreements). The current agreements expired on September 30, 2025. The agreement requires that rates for rentals, fees and charges be reviewed annually and adjusted so that the total airline revenues equal the Signatory Airline's share of the applicable costs. Year-end settlement provisions under the agreement provide for a recalculation of rates and charges. Upon determination of any difference between the actual rentals, fees and charges paid by Signatory Airlines, the City shall return to the airlines the amount of such difference in the event of an overpayment, and in the event of an underpayment, the City will invoice the airlines for the amount of such underpayment.

Final settlements are made each year after the audit of the City's Annual Comprehensive Financial Report. Other airlines operating at the Airport are billed at rates established by the non-signatory agreement.

The Signatory Airlines lease certain premises in the passenger terminal building. Under this agreement, all space leased is preferential. American Airlines preferentially leases terminal space, facilities on the ramp levels and gates on Concourse A. Delta Air Lines preferentially leases terminal space, facilities on the ramp levels and gates on Concourse B.

No other airlines have exclusive or preferential use of more than five (5) percent of terminal space or other areas of the Airport as of September 30, 2023. Exclusive and preferential use of space are summarized as follows:

	Tallahassee International Airport Leased Terminal Space						
	American	Delta	Silver	Vacant	Joint Use	Other Space	Total
Airline Leased Space (sq.ft.)	5,653	6,860	2,453	-	28,222	-	43,188
Airline Preferential	5,653	6,860	2,453	19,958	-	-	34,924
Joint Use	-	-	-	-	28,222	-	28,222
Concessions	-	-	-	-	-	14,641	14,641
Other Rentable	-	-	-	-	-	13,353	13,353
Total Leasable Space	5,653	6,860	2,453	19,958	28,222	27,994	91,140
Preferential Passenger Boarding Bridge Assignments	2	2	-	4	-	-	8

NOTE IV. DETAILED NOTES - ALL FUNDS

D. CAPITAL ASSETS

Capital Asset activity for the fiscal year ended September 30, 2023 was as follows (in thousands):

	Primary Government			
	Beginning Balance restated for implementation of GASB 96	Increases	Decreases	Ending Balance
Governmental Activities				
Non-Depreciable Assets:				
Land	$ 371,259	$ -	$ -	$ 371,259
Construction-in-Progress	18,174	37,192	(23,954)	31,412
Total Non-Depreciable Assets	$ 389,433	$ 37,192	$ (23,954)	$ 402,671
Depreciable and Amortizable Assets:				
Buildings	$ 130,583	$ -	$ (2)	$ 130,581
Equipment	80,292	27,168	(832)	106,628
Improvements other than buildings	15,161	-	-	15,161
Infrastructure	1,002,079	-	-	1,002,079
Intangibles	1,933	-	-	1,933
Intangible Right-to-Use Property	1,940	-	-	1,940
Intangible Right-to-Use Equipment and Fixtures	5,645	1,519	(150)	7,014
SBITAs	7,832	-	-	7,832
Total Depreciable and Amortizable Assets	1,245,465	28,687	(984)	1,273,168
Less accumulated depreciation and accumulated amortization for:				
Buildings	(84,050)	(2,947)	-	(86,997)
Equipment	(39,300)	(5,525)	(1,969)	(46,794)
Improvements other than buildings	(9,239)	(436)	-	(9,675)
Infrastructure	(702,791)	(33,668)	-	(736,459)
Intangibles	(36)	(179)	-	(215)
Intangible Right-to-Use Property	(333)	(489)	-	(822)
Intangible Right-to-Use Equipment and Fixtures	(2,034)	(2,204)	150	(4,088)
SBITAs	-	(2,323)	-	(2,323)
Total Accumulated Depreciation and Amortization	(837,783)	(47,771)	(1,819)	(887,373)
Total Depreciable and Amortizable Assets, net	$ 407,682	$ (19,084)	$ (2,803)	$ 385,795
Business-Type Activities				
Non-Depreciable Assets:				
Land	$ 154,415	$ 1,723	$ -	$ 156,138
Construction-in-Progress	91,938	86,893	(52,852)	125,979
Total Non-Depreciable Assets	$ 246,353	$ 88,616	$ (52,852)	$ 282,117
Depreciable and Amortizable Assets:				
Buildings	$ 244,291	$ 11,594	$ (6,674)	$ 249,211
Equipment	1,076,643	27,373	(19,735)	1,084,281
Improvements other than buildings	53,148	988	-	54,136
Infrastructure	1,515,988	49,091	(15,120)	1,549,959
Intangibles	310,479	-	-	310,479
Intangible Right-to-Use Equipment and Fixtures	3,717	85	-	3,802
SBITAs	1,103	-	-	1,103
Total Depreciable and Amortizable Assets	3,205,369	89,131	(41,529)	3,252,971
Less accumulated depreciation and accumulated amortization for:				
Buildings	(117,229)	(6,789)	-	(124,018)
Equipment	(721,308)	(49,436)	3,291	(767,453)
Improvements other than buildings	(32,485)	(2,703)	-	(35,188)
Infrastructure	(692,467)	(32,592)	57	(725,002)
Intangibles	(143,595)	(11,894)	-	(155,489)
Intangible Right-to-Use Equipment and Fixtures	(431)	(452)	-	(883)
SBITAs	-	(610)	-	(610)
Total Accumulated Depreciation and Amortization	(1,707,515)	(104,476)	3,348	(1,808,643)
Total Depreciable and Amortizable Assets, net	$ 1,497,854	$ (15,345)	$ (38,181)	$ 1,444,328

NOTE IV. DETAILED NOTES - ALL FUNDS

D. CAPITAL ASSETS

Depreciation and amortization expense was charged to functions/programs of the primary government as follows (in thousands):

Governmental Activities:	
General Government	$ 793
Public Safety	261
Transportation	1,000
Human Services	115
Economic Development	16
Physical Environment	15
Culture and Recreation	783
General Infrastructure	35,525
Capital Assets held by the governmental internal service funds are charged to the various functions based on their usage of assets	9,263
Total depreciation and amortization expense-governmental activities	$ 47,771
Business-Type Activities:	
Electric	$ 49,504
Gas	2,321
Sewer	21,269
Water	7,216
Airport	8,163
StarMetro	3,862
Solid Waste	460
Golf	72
Stormwater Management	2,423
Fire Services	1,176
Capital Assets held by the business-type internal service funds are charged to the various functions based on their usage of assets	8,010
Total depreciation and amortization expense-business-type activities	$ 104,476

NOTE IV. DETAILED NOTES - ALL FUNDS

E. INTERFUND RECEIVABLES, PAYABLES, INTRAGOVERNMENTAL CHARGES, AND TRANSFERS

1. Interfund Receivables/Payables

At September 30, 2023, Interfund Receivables and Payables are as follows (in thousands):

Fund	Due From	Due To	Advance To	Advance From
General	$ 12,635	$ 52	$ -	$ 387
Electric	45,077	-	3,000	4,490
Gas	1,824	-	-	-
Water	-	1,420	-	-
Sewer	-	5,272	-	-
Airport	-	3	-	150
Stormwater	14,947	-	-	-
Nonmajor governmental	1,154	14,039	11,773	3,011
Nonmajor business-type	3,886	23,704	-	7,772
Internal service funds	30,741	65,774	1,358	321
	$ 110,264	$ 110,264	$ 16,131	$ 16,131

$110,264,000 of the interfund receivables and payables balances represent amounts remaining from loans to fund operations. $16,131,000 of these balances represent amounts loaned for capital funding.

2. Intragovernmental Charges

Certain functions of the City of a general and administrative nature are accounted for in internal service funds. The costs accumulated in these funds are allocated to the various funds benefited by the services via charges, which are recorded as charges for services in the internal service funds and expenses or expenditures in the benefited funds.

Such costs allocated to the funds for the year ended September 30, 2023 are as follows (in thousands):

General	$ 24,861
Electric	31,384
Gas	4,410
Sewer	12,051
Water	11,653
Airport	2,163
Stormwater management	7,437
Nonmajor business type	27,430
Nonmajor governmental type	1,183
Fiduciary type	1,101
Internal service type	10,626
Total	$ 134,299

NOTE IV. DETAILED NOTES - ALL FUNDS

E. INTERFUND RECEIVABLES, PAYABLES, INTRAGOVERNMENTAL CHARGES, AND TRANSFERS

3. INTERFUND TRANSFERS

Interfund transfers are made for the funding of capital projects, debt service, for subsidies of various city operations, and for reallocation of special revenues. The following schedule summarizes city transfer activity for the fiscal year ended September 30, 2023 (in thousands):

	Transfers In										
Transfers Out	General	Electric	Gas	Sewer	Water	Airport	Storm-water	Nonmajor Govt.	Nonmajor Business-type	Internal Service Funds	Total
General	$ -	$ 36	$ 7	$ 8	$ 215	$ -	$ 7	$ 10,965	$ 3,834	$ 1,368	$16,440
Electric	35,154	-	-	-	221	-	-	45	-	-	35,420
Gas	3,420	-	-	279	156	-	-	1	-	-	3,856
Sewer	5,710	-	-	-	-	-	-	9	-	-	5,719
Water	4,142	-	-	-	-	-	-	6	-	-	4,148
Airport	9	-	-	-	-	-	-	-	-	23	32
Stormwater	516	-	-	-	-	-	-	11	-	-	527
Nonmajor governmental	593	-	-	-	-	-	-	1,267	4,938	-	6,798
Nonmajor business-type	2,393	-	-	-	-	-	-	4	-	276	2,673
Internal Service	462	1,953	89	498	603	73	624	49	4,476	413	9,240
Total	$ 52,399	$ 1,989	$ 96	$ 785	$1,195	$ 73	$ 631	$ 12,357	$ 13,248	$ 2,080	$84,853

F. LEASE PAYABLES

The City has entered into agreements to lease certain land, office and buildings, machinery, equipment and vehicles. These lease agreements qualify as other than short-term leases under GASB 87 and therefore, have been recorded at the present value of the future minimum lease payments as of their inception. The terms and conditions for these leases vary and may contain renewal options, the options are not considered in determining the lease term and associated potential option payments are excluded from the present value calculation of the right to use lease asset and the lease liability determination. The City's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. As a result of the leases, the City has recorded the right to use assets with a total net book value of $5.2 million for governmental activities and $3.3 million for business-type activities.

Payments due under the lease contracts include fixed, periodic payments over the lease terms plus, for many of the City's leases, variable, and non-lease component payments. For the City's leases, variable lease payments that depend on future performance or usage of the underlying asset and not lease components are excluded from the measurement of the lease liability and recognized as outflows of resources.

NOTE IV. DETAILED NOTES - ALL FUNDS

F. LEASE PAYABLES

In fiscal year 2023, the City recognized $2,797,710 in variable lease payments related to these leases. As of September 30, 2023, the City's lease payables were valued at $6,642,000.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2023, were as follows (in thousands):

	Governmental Activities	
Year Ending September 30,	Principal	Interest
2024	$ 1,828	$ 92
2025	738	59
2026	209	36
2027	217	28
2028	70	19
2029-2095	627	474
Total	$ 3,689	$ 708

	Business-Type Activities							
Year Ending	Fire		Airport		Starmetro		Utility Services	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 2	$ -	$ 4	$ -	$ 373	$ 35	$ 30	$ 2
2025	-	-	3	-	377	30	29	1
2026	-	-	1	-	382	25	1	-
2027	-	-	-	-	388	20	-	-
2028	-	-	-	-	393	15	-	-
2029-2095	-	-	-	-	970	16	-	-
Total	$ 2	$ -	$ 8	$ -	$ 2,883	$ 141	$ 60	$ 3

NOTE IV. DETAILED NOTES - ALL FUNDS
G. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

For the year ended September 30, 2023, the City implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The Statement provides a definition of SBITAs and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a SBITA asset (a right to use intangible capital asset) and a SBITA liability will enhance the relevance and reliability of the financial statements. SBITAs in effect at the end of the prior fiscal year had their assets and liabilities initially measured at the present value of the subscription payments expected over the remaining term of the SBITA after October 1, 2022. Accordingly, the City's estimated incremental borrowing rates of 3.93% to 4.1% were used to discount the SBITA payments. As a result, the amount of $8,934,346 was added as a right to use SBITA asset and a SBITA liability as of October 1, 2022. The SBITA asset, net of amortization, was $6,002,470 and the liability balance was $5,814,436 at September 30, 2023.

The future minimum SBITA payments as of September 30, 2023, were as follows (in thousands):

	Governmental Activities	
Year Ending September 30,	Principal	Interest
2024	$ 3,060	$ 282
2025	922	91
2026	813	53
2027	489	20
Total	$ 5,284	$ 446

	Business-Type Activities							
Year Ending	Electric		Starmetro		Accounting		Purchasing	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2024	$ 32	$ 1	$ 60	$ 8	$ 242	$ 5	$ 31	$ 3
2025	-	-	64	5	-	-	32	1
2026	-	-	69	3	-	-	-	-
Total	$ 32	$ 1	$ 193	$ 16	$ 242	$ 5	$ 63	$ 4

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

1. Summary of Changes in Long-Term Debt

The following is a summary of the changes in Long-Term Debt for the year ended September 30, 2023 (in thousands):

	Beginning Balance	Additions	Reductions	Ending Balance	Current	Noncurrent
Governmental Activities:						
General Revenue Bonds	$ 75,205	$ 37,455	$ 46,670	$ 65,990	$ 9,030	$ 56,960
Unamortized Premiums	8,786	-	5,659	3,127	-	3,127
Bank of America Loan	264	-	264	-	-	-
Public Improvement Revenue Note	7,310	-	-	7,310	-	7,310
Redevelopment Revenue Note	3,410	-	550	2,860	560	2,300
Bonds and Loans Payable	94,975	37,455	53,143	79,287	9,590	69,697
Compensated Absences	11,447	5,762	5,245	11,964	5,762	6,202
Net Pension Liability	-	154,509	-	154,509	-	154,509
Net OPEB Liability	45,855	3,705	12,399	37,161	-	37,161
Lease Payable	4,971	1,561	2,843	3,689	1,829	1,860
SBITA Liability	-	7,873	2,589	5,284	3,061	2,223
Total Governmental-Type Debt	157,248	210,865	76,219	291,894	20,242	271,652
Business-Type Activities:						
Energy System 2010B	122,280	-	-	122,280	-	122,280
Energy System Refunding 2015	5,335	-	5,335	-	-	-
Energy System Refunding 2017	129,295	-	3,515	125,780	2,010	123,770
Energy System 2018	98,660	-	750	97,910	1,415	96,495
Energy System Refunding 2020	64,410	-	10,520	53,890	12,100	41,790
Energy System Refunding 2022	59,965	-	59,965	-	-	-
Energy System Refunding 2023	-	59,790	-	59,790	6,225	53,565
Consolidated Utility System 2010A	117,015	-	-	117,015	-	117,015
Consolidated Utility System Refunding 2015	2,485	-	2,485	-	-	-
Consolidated Utility System Refunding 2017	94,800	-	4,395	90,405	4,615	85,790
Consolidated Utility System 2018	39,470	-	1,670	37,800	1,750	36,050
Consolidated Utility System Refunding 2020	10,465	-	2,430	8,035	2,550	5,485
Consolidated Utility System Refunding 2022	34,825	-	34,825	-	-	-
Consolidated Utility System Refunding 2023	-	34,720	-	34,720	2,955	31,765
2019 Transportation Improvement Bond	5,508	-	867	4,641	887	3,754
Unamortized Premiums/Discounts	73,386	-	5,476	67,910	-	67,910
AMI Loan	6,345	-	3,112	3,233	3,233	-
Bank of America Loan	128	-	128	-	-	-
Bonds and Loans Payable	864,372	94,510	135,473	823,409	37,740	785,669
Compensated Absences	15,210	9,949	9,262	15,897	9,949	5,948
Net Pension Liability	-	30,224	-	30,224	-	30,224
Net OPEB Liability	32,783	3,078	10,756	25,105	-	25,105
Lease Payables	3,308	84	439	2,953	408	2,545
SBITA Liability	-	1,060	530	530	365	165
Total Business-Type Debt	915,673	138,905	156,460	898,118	48,462	849,656
Total Long-Term Debt	$1,072,921	$ 349,770	$ 232,679	$1,190,012	$ 68,704	$1,121,308

For governmental activities, claims, judgments, pension obligations, OPEB obligations and compensated absences have been primarily liquidated by the General Fund.

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

2. SUMMARY OF INDIVIDUAL BOND ISSUES

Summarized below are the City's individual bond issues outstanding at September 30, 2023 (in thousands):

GENERAL REVENUE BONDS:		
$26,975,000 Capital Improvement Refunding Revenue Bond – Series 2009, due in annual installments ranging from $550,000 to $1,240,000 ending on April 1, 2031, at a 3.710% interest rate. The Bond is payable from and secured by a junior lien and pledge of the Local Government Half-cent Sales Tax, Guaranteed Entitlement Revenues, and the Communications Service Tax.	$	7,020
$27,320,000 Capital Bonds – Series 2018, due in annual installments ranging from $575,000 to $2,105,000 ending on October 1, 2038, with interest rates at 1.75% to 5.0% depending on maturity date. Bonds are payable from and secured by a first lien and pledge of the Local Government Half-cent Sales Tax, Guaranteed Entitlement Revenues, Communications Services Tax, Public Service Tax Revenues and earnings on the investment of all funds and accounts created by the Bond Resolution, except the Rebate Fund and Unrestricted Revenue Account.		22,940
$6,035,000 Capital Bonds - Series 2021, due in annual installments ranging from $665,000 to $920,000 ending on October 1, 2028, at a 1.24% interest rate. Bonds are payable from and secured by a first lien and pledge of the Guaranteed Entitlement Revenues, the Local Government Half-cent Sales Tax, the Local Communications Services Tax, and the Public Service Tax Revenues.		4,490
$38,000,000 Capital Bonds - Series 2022, due in annual installments ranging from $2,180,000 to $5,980,000 ending on October 1, 2034 at a 3.480% interest rate. Bonds are payable from and secured by a first lien and pledge of the Local Government Half-Cent Sales Tax, Guaranteed Entitlement Revenues, Communications Service Tax and Public Service Tax Revenues		31,540
Total General Revenue Bonds	$	65,990

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

2. SUMMARY OF INDIVIDUAL BOND ISSUES

PROPRIETARY REVENUE BONDS

$122,280,000 Energy System Revenue Bonds - Series 2010B, due in annual installments ranging from $930,000 to $32,445,000 ending on October 1, 2040, interest rate at 5.969%. Bonds are payable and secured by a lien on and pledge of certain funds provided by the 1998 General Resolution which includes net revenues of the City's Energy System.	$	122,280
$147,295,000 Energy System Refunding Revenue Bonds - Series 2017, due in annual installments ranging from $2,010,000 to $15,000,000 ending on October 1, 2037, interest rates at 3.00% in 2018 and 5.00% for the remaining maturity dates. Bonds are payable and secured by a lien on and pledge of certain funds provided by the 1998 General Resolution, which includes the net revenues of the City's Energy System.		125,780
$104,975,000 Energy System Revenue Bonds - Series 2018, due in annual installments ranging from $750,000 to $12,655,000 ending on October 1, 2042, interest rates at 3.00% in 2018 and 5.00% for the remaining maturity dates. Bonds are payable and secured by a lien on and pledge of certain funds provided by the 1998 General Resolution, which includes the net revenues of the City's Energy System.		97,910
$80,195,000 Energy System Refunding Revenue Bonds - Series 2020, due in annual installments ranging from $7,715,000 to $11,010,000 ending on October 1, 2028, at an interest rate of 5.00%. Bonds are payable and secured by a lien on and pledge of certain funds provided by the 1998 General Resolution, which includes the net revenues of the City's Energy System.		53,890
$59,739,000 Energy System Refunding Revenue Bonds - Series 2023, due in annual installments ranging from $135,453 to $1,656,183 ending on October 1, 2032, at an interest rate of 2.77. Bonds are payable and secured by a lien on and pledge of certain funds provided by the 1998 General Resolution, which includes the net revenues of the City's Energy System.		59,790
$117,015,000 Consolidated Utility Systems Revenue Bonds - Series 2010A, due in annual installments ranging from $3,415,000 to $20,010,000 ending on October 1, 2040, interest rates at 5.068% to 5.218% depending upon maturity date. Bonds are payable and secured by a lien on and pledge of certain funds provided by Resolution and the net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.		117,015
$115,060,000 Consolidated Utility System Refunding Bonds - Series 2017, due in annual installments ranging from $3,615,000 to $8,695,000 ending on October 1, 2037, at an interest rate of 5.0% on each maturity date. Bonds are payable and secured by a lien on and pledge of certain funds provided by Resolution, net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.		90,405
$45,385,000 Consolidated Utility System Revenue Bonds - Series 2018, due in annual installments ranging from $1,370,000 to $3,470,000 ending on October 1, 2038, at an interest rate of 5.0% on each maturity date. Bonds are payable and secured by a lien on and pledge of certain funds provided by Resolution, net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.		37,800

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

2. SUMMARY OF INDIVIDUAL BOND ISSUES

$14,875,000 Consolidated Utility System Refunding Revenue Bonds - Series 2020, due in annual installments ranging from $2,095,000 to $2,810,000 ending on October 1, 2026, at an interest rate of 5.0% on each maturity date. Bonds are payable and secured by a lien on and pledge of certain funds provided by Resolution, net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.	8,035
$34,720,000 Consolidated Utility System Refunding Revenue Bonds - Series 2023, due in annual installments ranging from $2,015,000 to $3,700,000 ending on October 1, 2035, at an interest rate of 2.89% . Bonds are payable and secured by a lien on and pledge of certain funds provided by Resolution, net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.	34,720
$7,994,660 Transportation Improvement Bond – Series 2019, due in annual installments ranging from $809,990 to $970,840 ending on May 1, 2028, at an interest rate of 2.29%. The Bond is payable from and secured by a covenant to budget and appropriate pledge of legally available non-ad valorem revenues from the General Fund. The Bond was issued to purchase 14 electric buses for the City's mass transit bus system.	4,641
Total Proprietary Revenue Bonds	$ 752,266
Total Bonds Payable	$ 818,256

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

3. Private Placement Bonds/Direct Borrowings

The Capital Improvement Refunding Revenue Bond, Series 2009, the Transportation Improvement Bond, Series 2019, and the Public Improvement Revenue Note, Series 2020, the Capital Bonds, Series 2021, the Energy System Refunding Revenue bonds, Series 2023, and the Consolidated Utility System Refunding Revenue Bonds, Series 2023 are all private placement bonds. Should there be an Event of Default of these bonds, the interest rate on the applicable bond would increase to the Default Rate. If these bonds default on the debt service payments, the applicable lender has the right to require the City to pay the entire outstanding obligation of these bonds.

The borrowings identified below under Loans Payable are the direct borrowings of the City. For all of the private placement bonds and direct borrowings, should the borrowings no longer be tax exempt, the interest rate on the outstanding amount will be increased.

4. Loans Payable

AMI Loan Program

On December 27, 2007, the City entered into a loan with the Bank of America Capital Corporation to provide $35,300,000 of financing to fund the City's Smart Metering program. The loan is due in semi-annual installments ranging from $1,083,000 to $3,234,000 ending on June 27, 2024, bearing interest at 3.9459%. The remaining balance of this loan is payable and secured by the Smart Energy Metering and Management System, consisting of meters and communication devices. The outstanding balance of the remaining loan was $3,233,000 as of September 30, 2023.

Public Improvement Revenue Note, Series 2020

On October 1, 2020, the City entered into a taxable loan in the amount of $7,310,000 with Key Bank. The loan bears interest at a rate of 1.43% with interest only payments due annually on October 1 from 2021 through 2025. The principal is due in a balloon payment on October 1, 2025. The Note is payable from and secured by a covenant to budget and appropriate pledge of legally available non-ad valorem revenues from the General Fund. The Note was issued to refinance the purchase of the Northwood Centre property on which the City will construct a new police headquarters and other amenities. The loan may be repaid in whole or in part at any time upon notice of 21 business days to Key Bank. The outstanding balance of this loan was $7,310,000 as of September 30, 2023.

Community Redevelopment Revenue Note, Series 2020

On December 16, 2020, the City executed Community Redevelopment Agency Redevelopment Revenue Note, Series 2020, which bears interest at a rate of 1.28% with annual installments ranging from $592,208 to $596,608 ending on January 15, 2028. The Note is payable from and secured by a covenant to budget and appropriate pledge of legally available non-ad valorem revenues. It was issued primarily to finance the cost of acquisition of a condominium unit consisting of two floors of structured parking with two hundred fifty-two public parking spaces. The outstanding balance of this loan was $2,860,000 as of September 30, 2023.

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

5. SCHEDULE OF DEBT SERVICE REQUIREMENTS, FOR ALL OUTSTANDING DEBT INCLUDING PRINCIPAL AND INTEREST (IN THOUSANDS)

	Governmental Activities				Business - Type Activities				
	Bonds		Notes from Direct Borrowings and Direct Placements		Bonds		Notes from Direct Borrowings and Direct Placements		
Year ending September 30	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Total Debt Service
2024	$ 7,045	$ 3,824	$ 1,670	$ 447	$ 24,440	$ 34,074	$ 13,301	$ 3,304	$ 88,105
2025	3,295	3,271	9,900	388	26,015	32,852	10,347	2,884	88,952
2026	3,430	3,037	2,650	221	27,315	31,551	10,628	2,551	81,383
2027	3,565	2,792	2,720	158	29,140	30,186	10,924	2,209	81,694
2028	3,705	2,537	2,045	106	30,550	28,726	11,281	1,857	80,807
2029-2033	20,905	8,425	2,695	112	186,110	117,509	40,665	4,084	380,505
2034-2038	12,535	1,744	-	-	209,490	69,083	5,240	230	298,322
2039-2043	-	-	-	-	120,053	11,615	-	-	131,668
Totals	$ 54,480	$ 25,630	$ 21,680	$ 1,432	$ 653,113	$ 355,596	$ 102,386	$ 17,119	$ 1,231,436

6. OTHER DEBT CONSIDERATIONS

In the fiscal year, the City refunded Energy System Refunding Revenue Bonds, Series 2022 with the issue of Energy System Refunding Revenue Bonds, Series 2023. The par amount of the Series 2022 bonds that was refunded totaled $59,790,000 leaving a balance of $0. The par amount of the 2023 bonds totaled $59,790,000. The refunding transaction was pre-planned in the original issue and any economic benefit was included in the future debt service calculation of the Series 2022 bonds.

In the fiscal year, the City refunded Consolidated Utility System Refunding Revenue Bonds, Series 2022 with the issue of Consolidated Utility System Refunding Revenue Bonds, Series 2023. The par amount of the Series 2022 bonds that was refunded totaled $34,720,000 leaving a balance of $0. The par amount of the 2023 bonds totaled $34,720,000. This refunding transaction was anticipated in the original issue and any economic benefit was included in the future debt service calculation of the Series 2022 bonds.

In the fiscal year, the City refunded Capital Bonds, Series 2012 and Capital Bonds, Series 2014 with the issue of Capital Bonds, Series 2022. The par amount of the Series 2012 bonds that was refunded totaled $3,875,000. The par amount of the Series 2014 bonds that was refunded totaled $27,700,000. The par amount of the Series 2022 bonds totaled $37,455,000, increasing the principal balance by $5,880,000.

The City, as of September 30, 2023, nor at any time during fiscal year 2023, did not have a line of credit upon which to borrow additional funds.

NOTE IV. DETAILED NOTES - ALL FUNDS

H. LONG-TERM DEBT

7. Conduit Debt Obligations

From time to time, the City has acted as a conduit for the issuance of bonds for non-profit organizations for the acquisition, construction, and improvement of housing, educational, and medical facilities deemed to be in the public interest, and has issued Industrial Revenue bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

- As of September 30, 2023, there were four series of Health Facilities Revenue Refunding Bonds outstanding. The original issue amounts totaled $357.3 million and the outstanding balance as of September 30, 2023 was $337.8 million.
- As of September 30, 2023, there was one Florida State University School Lease Revenue Bond outstanding. The original issue amount totaled $18.1 million and the outstanding balance as of September 30, 2023 was $3.3 million.
- As of September 30, 2023, there was one Industrial Revenue Bond outstanding. The original issue amount totaled $5.4 million and the outstanding balance as of September 30, 2023 was $4.5 million.

I. NET POSITION

The business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted or unrestricted.

1. Net Investment in Capital Assets

Net Investment in Capital Assets is intended to reflect the portion of net position associated with non-liquid, capital assets less outstanding capital asset related debt. Related debt includes the outstanding balances of any bonds, mortgages, notes, or other borrowings attributable to the acquisition, construction, or improvement of capital assets of the City.

2. Restricted Assets

Restricted Assets are subject to constraints that are either (a) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

3. Unrestricted Assets

Unrestricted Assets are the portion of net position that are neither invested in capital assets nor restricted for use by a third party.

The net position shown in government-wide financial statements was changed beginning in fiscal year 2012 to comply with GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions”. The details of net position presentation are explained in Note IV.I. “Fund Balance” below.

NOTE IV. DETAILED NOTES - ALL FUNDS

J. FUND BALANCE

The City classifies governmental fund balances as follows:

Non-spendable Fund Balance - includes fund balance amounts that cannot be spent either because it is a) not in a spendable form, such as inventory or b) because it is legally or contractually required to be maintained intact.

Spendable Fund Balance

Restricted – fund balance amounts constrained for specific purposes that are externally imposed by providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation.

Committed – fund balance amounts constrained for specific purposes imposed by majority vote of the City Commission.

Assigned – spendable fund balance amounts transferred from committed funds into projects or other funds under the control of the department budgeted to receive the committed funds. Budgetary control is established within each fund and department. The City Manager or designee may transfer amounts between departments within the same fund. These transfers are not specifically approved by the City Commission.

Unassigned – residual positive fund balance within the General Fund that was not classified within the categories defined above. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City spends restricted amounts first when both restricted and unrestricted fund balances are available unless there are legal documents/contracts that prohibit doing this, such as grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City Commission has established an emergency reserve policy and fund, referred to as the Deficiencies Fund, in order to meet unforeseen expenditures. The target amount per the policy is a maximum level of two (2) months of general government operating expenditures of the ensuing fiscal year’s operating budget. Use of the Deficiencies Fund requires approval by the City Commission. The Deficiencies Fund is contained as a separate sub-fund within the General Fund and the balance is classified as committed fund balance within the General Fund.

NOTE IV. DETAILED NOTES - ALL FUNDS

J. FUND BALANCE

A schedule of City fund balances is provided below (in thousands):

	Non-Spendable	Restricted	Committed	Assigned	Unassigned	Total
General Fund						
Building Improvements	$ -	$ -	$ -	$ 24	$ -	$ 24
Community Development	-	-	-	200	-	200
Cultural Events	-	-	-	43	-	43
Emergency Management	-	-	24,919	-	-	24,919
General Government	-	-	-	817	-	817
Information Technology	-	-	-	2	-	2
Inventory	818	-	-	-	-	818
Lease Receivable, Net	22	-	-	-	-	22
Physical Environment	-	-	-	56	-	56
Police Evidence Holding Cash	821	-	-	-	-	821
Public Safety	-	-	-	4	-	4
Scholarship Assistance	-	-	151	-	-	151
Transportation Improvements	-	-	-	4	-	4
Unassigned	-	-	-	-	2,271	2,271
Total General Fund	1,661	-	25,070	1,150	2,271	30,152
Other Governmental Funds						
Advances to Other Funds	11,773	-	-	-	-	11,773
American Rescue Plan	-	88	-	-	-	88
Animal Services	-	122	-	-	-	122
Building Improvements	-	3	880	-	-	883
Cemetery Grounds Maintenance	-	-	2,192	-	-	2,192
Community Development	-	24,052	289	-	-	24,341
Emergency Management	-	10	-	-	-	10
Environmental Cleanup	-	794	-	-	-	794
General Government	-	-	824	-	-	824
Historic Property Preservation	-	-	1,084	-	-	1,084
Housing	-	1,624	4,388	-	-	6,012
Land/Neighborhood Improvements	-	106	2,599	-	-	2,705
Law Enforcement Justice Assistance	-	21	-	-	-	21
Lease Receivable, Net	25	701	-	-	-	726
Notes Receivable	162	-	-	-	-	162
Park Enhancements	-	-	3,686	-	-	3,686
Police Enforcement/Crime Prevention	-	15	322	-	-	337
Police Equipment	-	-	424	-	-	424
Police Mentoring	-	2	-	-	-	2
Public Infrastructure	-	-	9,118	-	-	9,118
Public Safety - Building Code	-	2,110	-	-	-	2,110
Recreation Facilities	-	206	-	-	-	206
Road Improvements	-	1,391	130	-	-	1,521
Sidewalks/Pedestrian & Bike Paths	-	7,813	474	-	-	8,287
Technology Upgrades	-	-	3,315	-	-	3,315
Traffic Signals	-	202	-	-	-	202
Unassigned	-	-	-	-	(14,734)	(14,734)
Total Other Governmental Funds	11,960	39,260	29,725	-	(14,734)	66,211
Total Fund Balances	$ 13,621	$ 39,260	$ 54,795	$ 1,150	$ (12,463)	$ 96,363

NOTE V. OTHER INFORMATION

A. OUTSTANDING CONTRACTS

The City has outstanding commitments on various contracts for construction and other projects. These commitments, as of September 30, 2023, in the respective funds are as follows (in thousands):

General Fund	$	4,816
Electric		18,312
Gas		1,395
Sewer		17,472
Stormwater Management		2,924
Water		9,197
Airport		30,314
Nonmajor Governmental		34,692
Nonmajor Enterprise		10,857
Internal Service Funds		28,004
Total	$	157,983

Long-term purchase contract obligations for the purchase of gas and energy are disclosed in Note V.E. Long-term contracts are not included in the above outstanding commitment balances.

B. RISK MANAGEMENT PROGRAM

The risk management program provides coverage for Workers' Compensation by self-insuring primary losses up to $1,250,000 and losses above that amount are insured through an excess policy. General liability, automobile and employment liability are totally self-insured. General and automobile liability losses are statutorily limited by sovereign immunity of $200,000 per person and $300,000 per accident. Prior to October, 2011, the statutory limit was $100,000 per person and $200,000 per accident. The risk management program is also responsible for the purchase of certain other coverages including Aviation liability coverage. Specialized policies for police and fire statutory death benefits and a policy providing a lump sum benefit for firefighter cancer claims are also purchased. The risk management program provides Employment Practice Liability such as allegations of race, gender and other discrimination or disparate treatment allegations. This exposure is also self-insured. The City's buildings and contents are covered by two property insurance policies: one for municipal locations and one for utility locations, both with varying deductibles.

The Risk Management Fund, which is classified as an internal service fund, is responsible for collecting premiums from all of the departments for both self insured and commercial programs, paying claim settlements on the self insured claims and procuring commercial insurance. Claims settlements and loss expenses are reserved for the expected value of the known losses and also for estimated incurred but not reported losses (IBNRs).

Annually, as of September 30, the program has a third party actuary review the claim history for all claim years for which open self-insurance claims are outstanding. The actuary projects the ultimate claim payment obligation (including the IBNRs) for each year's claim experience and projects the new year's probable loss fund cost and a discounted alternative. The City elected to establish the liability at the discounted value (2.0%).

NOTE V. OTHER INFORMATION

B. RISK MANAGEMENT PROGRAM

Changes in the balances of self-insured claims for the year ended September 30, 2023 are as follows (in thousands):

Unpaid claims - October 1 (including IBNRs)	$	19,715
Expenses		4,706
Claim payments		(5,324)
Unpaid claims - September 30 (including IBNRs)	$	19,097

C. LITIGATION

The City is involved in pending lawsuits. The City Attorney estimates that the potential claims against the City not covered by insurance resulting from litigation would not materially affect the financial position of the City.

D. FEDERAL AND STATE GRANTS

The City has received numerous federal and state grants that are subject to financial and compliance audits made in accordance with the Office of Management and Budget uniform administrative requirements, cost principles and audit requirements.

Certain grants, such as the Community Development Block Grant, HOME grant, State Housing Initiatives Partnership (SHIP), and others, provide for the issuance of loans to qualifying individuals or non-profit entities. Loans to individuals include down payment assistance loans that are not repaid unless certain events occur, such as the sale or refinancing of a purchased home within a certain time period. Loans to non-profit entities are sometimes only payable if the entity has sufficient annual cash flow, or may be forgiven by the City Commission to prevent economic hardship for the entity. Since repayment of these loans is contingent upon various factors, the loans are not reported in the financial statements. As of September 30, 2023, the contingent loans for Special Projects totaled $5.2 million. The contingent down payment assistance loan balance for SHIP totaled $1.5 million.

E. LONG-TERM CONTRACTS

The City acquires natural gas and power through a combination of short, medium and long-term contracts. The City currently has 8 long-term natural gas “prepay” contracts discounted from an index: 1) 20-Year contract with Tennessee Energy Acquisition Corporation (TEAC); 2) 30-Year contract with TEAC ending in 2048; 3) 30-year contract with Blackbelt Energy ending in 2048; 4) TEAC 30-year contract ending in 2052; 5) Municipal Gas Authority of Georgia (MGAG)/Citadel 30-year contract ending in 2052; and 6) MGAG/Citibank 30-year contract ending in 2052; 7) SEA/Morgan Stanley 30-year contract ending in 2052; 8) SEA/J. Aron 30-year contract ending in 2053. These contracts save the City $6.2 million each year through 2053. The City also uses financial instruments to hedge natural gas for future periods. The City is currently hedged for approximately 78% of the City’s gas needs through FY 2025. The City’s obligation for financial hedges is limited to the difference between the hedge price and market price. The City is not obligated to purchase the underlying gas supply. Energy contracts are managed and monitored by the City’s Energy Services Department. Revenues from customers through the Energy Cost Recovery Clause (ECRC) and the Purchased Gas Recovery Clause (PGRC) are designed to recover the costs incurred by these purchase commitments.

NOTE V. OTHER INFORMATION

E. LONG-TERM CONTRACTS

The City engages in the wholesale power markets on a short-term and long-term basis to buy or sell power when market prices are more economical than native generation. The City participates daily in the power markets for short-term opportunities to deliver the lowest cost power to our customers. The City continuously evaluates long-term purchase or sales offers through our internal planning process. The City has two Purchased Power Agreements (PPA) for solar energy. The first 20 MW of solar started in the fall of 2017 and the second 40 MW solar contract started in December of 2019. Each of these contracts are for 20 years with option clauses to either purchase or extend their terms. These contracts are managed and monitored by the City's Energy Services Department and Electric Utility. The following is a schedule, by years, of approximate minimum future purchase commitments on long-term purchase contracts as of September 30, 2023 (in thousands):

Years ending September 30,	Gas Contracts	Energy Contracts (including Solar PPA)	Total
2024	$ 23,897	$ 5,178	$ 29,075
2025	50,716	5,381	56,097
2026	60,967	5,593	66,560
2027	62,269	5,813	68,082
2028	60,999	6,068	67,067
Thereafter	1,708,143	66,709	1,774,852
Total	$ 1,966,991	$ 94,742	$ 2,061,733

F. PENSION PLAN OBLIGATIONS

The City of Tallahassee sponsors and administers two pension plans, established by Chapter 14 of the City Code of Ordinances. There is one defined benefit plan and one defined contribution plan comprised of the following:

Name	Type
General Employees Group (Article II)	Cost-sharing multiple-employer, defined benefit
Police Officers Group (Article III)	Single-employer, defined benefit
Firefighters Group (Article IV)	Single-employer, defined benefit
Matched Annuity Pension Plan (Article V)	Multiple-employer, defined contribution

The plans are administered by the City of Tallahassee Treasurer-Clerk's Office, under guidance from the plans' Board of Trustees, which is composed of the members of the City Commission and one City police officer or firefighter. The City police officer or firefighter is elected by a majority of the police officers and firefighters who are members of the plans. The City's general employee defined benefit provision and defined contribution provision is also provided for the employees of Blueprint Intergovernmental Agency (Blueprint), the Capital Region Transportation Planning Agency (CRTPA) and the Consolidated Dispatch Agency (CDA). Blueprint is a jointly governed organization, while CRTPA and CDA are both joint ventures. The defined benefit provision for police officers and firefighters is provided only for City employees. All accumulated plan assets of the defined benefit plan are available to pay any benefit to any plan member or beneficiary.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

The aggregate amount of net pension assets, liabilities, related deferred inflows and outflows of resources, and pension expense for the City's defined benefit pension plan are summarized as follows:

Plan Obligations and Expenses (in thousands):	General Employees - City	Police Officers	Firefighters	Total Primary Government	Component Unit
Net Pension Liability/ (Asset)	$ 85,911	$ 54,331	$ 44,491	$ 184,733	$ 59
Pension Related Deferred Outflows	67,352	21,104	17,639	106,095	69
Pension Related Deferred Inflows	(6,735)	(7,924)	(7,218)	(21,877)	(7)
Pension Expense	$ 22,828	$ 5,525	$ 5,598	$ 33,951	$ 16

The 2023 membership statistical information is as follows:

	General Employees - City	Police Officers	Firefighters	Total
Retirees and beneficiaries of deceased retirees currently receiving benefits	1,983	329	261	2,573
Terminated employees entitled to benefits but not yet receiving benefits	273	36	10	319
Active Employees	1,966	343	261	2,570

The defined benefit and defined contribution provisions are reported separately in the financial statements. The City of Tallahassee does not issue a stand-alone financial report for the Plan. The provisions of the Plan are "qualified" under the Internal Revenue Service Code and employee contributions are tax deferred.

1. DEFINED BENEFIT PROVISION

The Plan is established for all three programs in Chapter 14 of the City Code of Ordinances, through Parts A, B, C and D in Article II for general employees with Parts A, B and C closed to new participants. Effective April 1, 2013, the City Commission approved changes to the City's General Employees' Pension Plan creating Part D participants. Part D provides coverage to all new employees hired after that date. For police officers and firefighters, Article III and IV, respectively, Parts A and B are closed to new participants while Parts C and D provide coverage to all new employees. All members of the Plan are covered by one of these parts depending upon employment date. These parts provide a detailed description of the various defined benefit provisions. These provisions include the types of employees covered, benefit provisions, employee eligibility requirements for normal, early and/or vested retirements, and the related benefits of these retirements, pre-retirement death benefits, and provisions for disability retirements. There are also post retirement cost-of-living adjustments (COLA) and health care supplements.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

	General Employees		Police Officers		Firefighters	
	Part C-Employees hired prior to April 1, 2013	Part D-Employees hired after April 1, 2013	Part C-Employees hired prior to October 1, 2021	Part D-Employees hired after October 1, 2021	Part C–Employees hired prior to October 1, 2017	Part D–Employees hired after October 1, 2017
Normal Retirement Benefits:						
Age	62 (or 30 years of Credited Service, regardless of age)	65 (or 33 years of Credited Service, regardless of age)	55 (or 25 years of Credited Service, regardless of age)	55 (or 25 years of Credited Service, regardless of age)	55 (or 25 years of Credited Service, regardless of age)	55 (or 25 years of Credited Service, regardless of age)
Years of Credited Service (minimum)	5	5	5	10	5	10
Benefit calculation	2.25% x AFC x Years of Credited Service	2.25% x AFC x Years of Credited Service	2% - Purchased military or other public service 3% - first 20 yrs of Credited Service 4% - after 20 yrs of Credited Service (up to an add'l 5 yrs and 3 mths)	2% - Purchased military or other public service 3% - each year of Credited Service	2% - Purchased military or other public service 3% - first 20 yrs of Credited Service 4% - after 20 yrs of Credited Service (up to an add'l 5 yrs and 3 mths)	AFC x Sum of 2% per year of purchased military and out-of-city public service and 3% per year of Credited Service
Average Final Compensation (AFC)	Higher of: 1) final 3 yrs; 2) any consecutive 3 yrs – 1/1987 to 12/2005, escalated by 3%; or 3) any consecutive 3 yrs during 1/1987 to the date of retirement.	Average of the highest consecutive 5 years of Credited Service	Higher of: 1) final 3 yrs; 2) any consecutive 3 yrs – 1/1987 to 12/2005, escalated by 3%; or 3) any consecutive 3 yrs during 1/1987 to the date of retirement.	Average of the highest 5 years of Credited Service	Higher of: 1) final 3 yrs; 2) any consecutive 3 yrs – 1/1987 to 12/2005, escalated by 3%; or 3) any consecutive 3 yrs during 1/1987 to the date of retirement.	Average of the highest consecutive 5 years of Credited Service
Maximum Benefit	81% of AFC	81% of AFC	81% of AFC	81 % of AFC	81% of AFC	81% of AFC
COLA	3% increase in benefits each 10/1 starting at the later of normal retirement date, or age 55 (under age and service eligibility); or age 50 (under service eligibility)	3% increase in benefits each 10/1 starting at the later of normal retirement date or age 65	3% increase in benefits each 10/1 starting between age 52 and 62 depending on pension entry date.	3% increase in benefits each 10/1 starting between age 52 and 62 depending on pension entry date.	3% increase in benefits each 10/1 starting between age 52 and 62 depending on pension entry date.	3% increase in benefits each 10/1 starting at the later of normal retirement date or age 62

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

	General Employees	Police Officers and Firefighters	
Early Retirement	If a member is retiring under the age and service eligibility, Normal Retirement Benefit is reduced by 4.8% per year for each year by which the Early Retirement date precedes the Normal Retirement date. If a member is retiring under the service eligibility, the Normal Retirement Benefit is reduced by 5% per year for each year by which the Early Retirement date precedes the Normal Retirement date.	Eligibility occurs at age 50 and 5 years of Credited Service or after completion of 20 years of Credited Service. If the member is retiring after attainment of age 50 and 5 years of Credited Service eligibility, the normal benefit is reduced by 3.0% per year for each year by which the Early Retirement date precedes the Normal Retirement date for Firefighters and Part C Police Officers. For Part D Police Officers, the benefit is reduced by 6.0%. If the member is retiring after attainment of 20 years of Credited Service, the Normal Retirement Benefit is reduced by 6.8% per year for each year by which the Early Retirement date precedes the 25 years of service attainment date for Firefighters and Part D Police Officers. For Part C Police Officers, the benefit is reduced by 7.2%.	
Disability	Five years of Credited Service for non-service connected disability. None for service connected disability. Benefit: The greater of 1) the member's accrued benefit to date of disability; and 2) the member's benefit with service projected to normal retirement date not to exceed 50% of AFC in effect on the date of disability.	Two years of Credited Service for non-service connected disability. None for service connected disability. Benefit: The greater of 1) The member's accrued benefit to date of disability; and 2) The member's benefit with service projected to normal retirement date not to exceed 50% of AFC in effect on the date of disability.	
Contribution Rates - actuarially determined for the year ended September 30, 2023			
City	23.07%	38.58%	44.69%
Employee	5.00%	10.99%	Part C - 18.69% Part D - 16.69%

Net Pension Liability - The total pension liability was determined by an actuarial valuation as of October 1, 2020, using a measurement date of September 30, 2023. The net pension liability was also determined using a measurement date of September 30, 2023. The components of the net pension liability of the participating employers in the general employees, police officers and firefighters plans as of September 30, 2023 were as follows (in thousands):

	General Employees	Police Officers	Firefighters
Total pension liability	$ 1,506,659	$ 469,023	$ 320,898
Plan fiduciary net position	1,385,517	403,207	270,046
Net pension asset/liability	121,412	65,816	50,852
Plan fiduciary net position as a % of total pension liability	91.96 %	85.97 %	84.15 %
City's proportion of the net pension asset/liability	94.76 %	100.0 %	100.0 %

The City's Proportionate share of the General Employees' Pension Plan is based on the covered payroll and it decreased from 94.86% in 2022 to 94.76% in 2023.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

The total pension liability was determined by an actuarial valuation as of October 1, 2020, using the following significant actuarial assumptions applied to all periods included in the measurement: The actuarially determined contribution rates are calculated as of October 1 which is two years prior to the end of the fiscal year in which contributions are reported. The actuarially determined contribution is projected to the contribution year using conventional actuarial projection methods.

The assumptions used in determining the total pension liability are as follows:

	General Employees	Police Officers	Firefighters
Valuation Date	October 1, 2020	October 1, 2020	October 1,2020
Actuarial Cost Method	Entry age, normal	Entry age, normal	Entry age, normal
Amortization Method	Level percentage, closed	Level percentage, closed	Level percentage, closed
Remaining Amortization Period	30 years	30 years	30 years
Asset Valuation Method	20% of the difference between expected actuarial value and fair value is recognized annually with a 20% corridor around fair value	20% of the difference between expected actuarial value and fair value is recognized annually with a 20% corridor around fair value	20% of the difference between expected actuarial value and fair value is recognized annually with a 20% corridor around fair value
Inflation rate	2.50%	2.50%	2.50%
Salary Increase	A range of 2.95 to 5.0% based on years of service	A range of 4.5 to 6.4% based on years of service	A range of 4.4 to 5.75% based on years of service
Investment rate of return	7.40%	7.40%	7.40%
Mortality Rate:	The mortality tables used are the same as those used in the July 1, 2022 Pension Actuarial valuation of the Florida Retirement System (FRS) for Regular (other than K-12 School Instructional Personnel) members. These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthly lives to all future years after 2010 using Scale MP-2018.	The mortality tables used are the same as those used in the July 1, 2022 Pension Actuarial valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthly lives to all future years after 2010 using Scale MP-2018.	The mortality tables used are the same as those used in the July 1, 2022 Pension Actuarial valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthly lives to all future years after 2010 using Scale MP-2018.
Experience Study	The last experience study was prepared on June 24, 2016. Assumption changes resulting from this experience study were implemented for the fiscal year ending September 30, 2017.	The last experience study was prepared on June 24, 2016. Assumption changes resulting from this experience study were implemented for the fiscal year ending September 30, 2017.	The last experience study was prepared on June 24, 2016. Assumption changes resulting from this experience study were implemented for the fiscal year ending September 30, 2017.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

Changes in the Net Pension Liability - The Plan is presenting net pension liability for the year ended September 30, 2023 based on the September 30, 2022 measurement date as follows (in thousands):

General Employees Pension Plan (including Component Unit) - Increase(Decrease)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2022	$ 1,311,787	$ 1,389,210	$ (77,423)
Changes for the year:			
Change in Allocation Percentage	412	439	(27)
Service Cost	16,595	-	16,595
Interest	95,663	-	95,663
Differences between Expected and Actual Experiences	10,870	-	10,870
Employer Contributions	-	25,733	(25,733)
Employee Contributions	-	6,337	(6,337)
Net Investment Income	-	(71,762)	71,762
Benefit Payments	(71,341)	(71,341)	-
Refunds	(772)	(772)	-
Administrative Expense	-	(600)	600
Net Changes	51,427	(111,966)	163,393
Balances at September 30, 2023	$ 1,363,214	$ 1,277,244	$ 85,970

Police Officers Pension Plan - Increase(Decrease)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2022	$ 428,317	$ 422,805	$ 5,512
Changes for the year:			
Service Cost	7,304	-	7,304
Interest	31,398	-	31,398
Differences between Expected and Actual Experiences	871	-	871
Employer Contributions	-	9,452	(9,452)
Employee Contributions	-	3,092	(3,092)
Net Investment Income	-	(21,609)	21,609
Benefit Payments	(22,478)	(22,478)	-
Refunds	(165)	(165)	-
Administrative Expense	-	(181)	181
Net Changes	16,930	(31,889)	48,819
Balances at September 30, 2023	$ 445,247	$ 390,916	$ 54,331

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

Firefighters Pension Plan - Increase(Decrease)

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at September 30, 2022	$ 296,581	$ 283,715	$ 12,866
Changes for the year:			
Service Cost	4,764	-	4,764
Interest	21,651	-	21,651
Differences between Expected and Actual Experiences	615	-	615
Employer Contributions	-	6,658	(6,658)
Employee Contributions	-	3,467	(3,467)
Net Investment Income	-	(14,602)	14,602
Benefit Payments	(17,471)	(17,471)	-
Refunds	(53)	(53)	-
Administrative Expense	-	(118)	118
Net Changes	9,506	(22,119)	31,625
Balances at September 30, 2023	$ 306,087	$ 261,596	$ 44,491

Investments - Plan assets are managed in accordance with the Pension Investment Policy. The table below presents the adopted asset allocation as of September 30, 2023.

Asset Class	Target Allocation Percentage	Long-Term Expected Real Rate of Return
Domestic Equity	35.5	8.1
International Equity	9.0	8.5
Emerging Markets Equity	4.0	10.2
Fixed Income	16.5	2.1
Real Estate	15.0	5.6
Private Equity	7.5	12.1
Private Credit	7.5	7.0
Timber	5.0	4.9
Total	100.0	

The Plan's investments are managed by various investment managers under contract with the Boards who have discretionary authority of the assets managed by them and within the Plan's investment guidelines as established by the Board. The investments are held in trust by the Plan's custodian in the Plan's name. The City of Tallahassee Sinking Fund Commission is responsible for making investment policy changes. These assets are held exclusively for the purpose of providing benefits to members of the Plan and their beneficiaries.

For the year ended September 30, 2023, the annual money-weighted rate of return on the General Employees, Police Officers, and Firefighters pension plan investments, net of investment expense, was 6.9%. The money-weighted rate of return takes into account cash flows into and from the various investments of the Plan.

The long-term expected arithmetic rate of return on pension plan investment is based upon an asset allocation study that was conducted for the Plan by its investment consultant toward the end of fiscal year 2022. The study was prepared by the Pension Plan's investment consultant, and went through numerous iterations before a final asset allocation was established. The study looked at expected rates of return for twenty-one (21) different asset classes, as well as examining expected standard deviations and correlations among these various asset classes.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

Discount Rates – The discount rates used to measure the total pension liability of the Plan are indicated below. This single discount rate was based on the expected rate of return on pension plan investments of 7.40%. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between the total actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments (7.40%) was applied to all periods of projected benefits payments to determine the total pension liability.

The discount rates as of September 30, 2023 were consistent with 2022 as follows:

General Employees	Police Officers	Firefighters
7.40 %	7.40 %	7.40 %

The following presents the Plan's net pension liability, calculated using a single discount rate of 7.40%, as well as what the plan's net pension liability would be if it were calculated using a single discount rate that is 1-percentage- point lower or 1-percentage point higher:

Sensitivity of the Net Pension Liability to the Single Discount Rate Assumption (in thousands)

	1% Decrease 6.40%	Current Single Discount Rate 7.40%	1% Increase 8.40%
Primary Government-General Plan	$ 259,258	$ 85,911	$ (57,283)
Primary Government-Police Plan	112,232	54,331	6,665
Primary Government-Fire Plan	83,158	44,491	12,534
Primary Government-Component Unit	178	59	(39)

Pension Expense and Deferred Outflows (Inflows) of Resources Related to Pensions - In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized as pension expense in the current measurement period, except as shown below. For each of the following, a portion is recognized in pension expense in the current measurement period, and the balance is amortized as deferred outflows or inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Changes of assumptions or other inputs which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Changes in proportion and differences between contributions and proportionate share of contributions which are amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan, both active and inactive.
- Differences between expected and actual earnings on pension plan investments are amortized over five years.

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

General Employees – Plan - For the year ended September 30, 2023, the general employees pension plan recognized pension expense of $23,863,000 for the plan. At September 30, 2023, the plan reported deferred outflows of resources and deferred inflows of resources related to the general employee pension plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 13,639	$ (596)	$ 13,043
Assumption changes	5,120	(6,115)	(995)
Change in Net Pension Liability due to Change in Cost-Sharing Allocation Percentages	659	(659)	-
Net difference between projected and actual earnings on pension plan investments	24,595	-	24,595
Contributions after measurement date	27,127	-	27,127
Total	$ 71,140	$ (7,370)	$ 63,770

Deferred outflows of resources related to the general employee pension plan of $27,127,000 resulting from City contributions to the plan paid subsequent to the measurement date and prior to the City's reporting period will be recognized as a reduction of net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense, as follows:

Year Ending September 30,	Net Amount (in thousands)
2024	$ 10,451
2025	(5,274)
2026	(7,418)
2027	38,884
Total	$ 36,643

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

General Employees – City – For the year ended September 30, 2023, the City recognized pension expenses of $22,584,000 for its proportionate share of the general employees pension plan. At September 30, 2023, the City and it's component unit reported deferred outflows of resources and deferred inflows of resources related to the general employee pension plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Difference between expected and actual experience	$ 12,945	$ (563)	$ 12,382
Assumption changes	4,868	(5,798)	(930)
Net difference between projected and actual experience on pension investments	23,379	-	23,379
Change in Net Pension Liability due to change in cost sharing allocation percentage	238	(381)	(143)
Contributions after measurement date	25,991	-	25,991
Total	$ 67,421	$ (6,742)	$ 60,679

Deferred outflows of resources related to the general employee pension plan of $25,991,000, resulting from City contributions to the plan paid subsequent to the measurement date and prior to the City's reporting period, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the plan pension expense will be recognized in future pension expenses as follows:

Year Ending September 30,	Net Amount (in thousands)
2024	$ 9,884
2025	(5,103)
2026	(6,975)
2027	36,882
Total	$ 34,688

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

Police officers - For the year ended September 30, 2023, the police officers pension plan recognized pension expense of $6,113,000. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the police officers employee pension plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 2,069	$ -	$ 2,069
Net difference between projected and actual earnings on pension plan investments	7,878	-	7,878
Assumption Changes	1,705	(7,924)	(6,219)
Contributions after measurement date	9,452	-	9,452
Total	$ 21,104	$ (7,924)	$ 13,180

Deferred outflows of resources related to the police officers pension plan of $9,452,000, resulting from City contributions to the plan paid subsequent to the measurement date and prior to the City's fiscal year, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the plan pension expense will be recognized in future pension expenses, as follows:

Year Ending September 30,	Net Amount (in thousands)
2024	$ 816
2025	(2,880)
2026	(4,241)
2027	9,982
2028	51
Total	$ 3,728

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

1. DEFINED BENEFIT PROVISION

Firefighters - For the year ended September 30, 2023, the firefighters pension plan recognized pension expense of $5,918,000. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the firefighters pension plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows of Resources
Differences between expected and actual experience	$ 2,591	$ (757)	$ 1,834
Net difference between projected and actual earnings on pension plan investments	4,812	-	4,812
Assumption changes	3,578	(6,461)	(2,883)
Contributions after measurement date	6,658	-	6,658
Total	$ 17,639	$ (7,218)	$ 10,421

Deferred outflows of resources related to the firefighters pension plan of $6,658,000, resulting from City contributions to the plan paid subsequent to the measurement date and prior to the City's reporting period, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the plan pension expense will be recognized in future pension expenses, as follows:

Year Ending September 30,	Net Amount (in thousands)
2024	$ 2,107
2025	(1,043)
2026	(2,978)
2027	5,577
2028	100
Total	$ 3,763

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

2. DEFINED CONTRIBUTION PROVISION

All employees (general, firefighters, and police officers) may elect to contribute a portion of their salary to the Plan. General employees, firefighters and police officers can contribute up to but not to exceed the maximum amount allowed by the Internal Revenue Service. Each employer contributes 5% to each general employee's Matched Annuity Plan (MAP) account. Upon reaching normal retirement age or retiring under the Plan, a participant shall be paid his and the City's contributions, together with accrued earnings. If a general employee uses the contributions and accrued earnings to receive an annuitized payment stream, the Plan will increase the amount of funds (only on the employer's 5%, employee flex matched contribution and employees' contribution up to the 5%) used by the participant by a factor of 50%. Employee contributions (including the City's 5% contribution to each general employee's MAP account) plus accrued earnings thereon are 100% refundable if the employee elects to terminate his vesting rights or is not vested at the date of employment termination. For the year ended September 30, 2023, the contributions and forfeitures to the MAP account totaled $1,083,751 and $268,271, respectively.

3. STATEMENT OF PLAN NET POSITION AS OF SEPTEMBER 30, 2023

	Pension Trust	Matched Annuity Pension Plan
ASSETS		
Cash and Cash Equivalents	$ 18,666	$ 12
Receivables		
Other Receivables	-	19
Accrued Interest	5,601	-
Total Receivables	5,601	19
Investments, at Fair Value		
Mututal Index Funds	-	154,944
Private Equities	281,608	-
Fixed Income Securities	338,587	-
Domestic Equities	733,539	-
International Equities	175,835	-
Private Credit Funds	112,161	-
Alternative Investments	276,391	-
Timber	115,474	-
Total Investments	2,033,595	154,944
Securities Lending Collateral	69,635	-
Total Assets	$ 2,127,497	$ 154,975
LIABILITIES AND NET POSITION		
Liabilities		
Obligations Under Securities Lending	$ 69,635	$ -
Total Liabilities	69,635	-
Net Position		
Net Position Restricted for Pensions	2,057,862	154,975
Total Liabilities and Net Position	$ 2,127,497	$ 154,975

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

4. STATEMENT OF CHANGES IN PLAN NET POSITION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Pension Trust	Matched Annuity Pension Plan
ADDITIONS		
Contributions		
Employer	$ 43,238	$ 1,044
Plan Members	13,365	-
Total Contributions	56,603	1,044
Investment (Loss)		
From Investment Activities		
Gain/Loss on Sale of Investments	32,917	-
Change in Fair Value of Investments	53,762	16,441
Interest Income	22,575	4,996
Dividends	23,550	-
Total Investment (Loss)	132,804	21,437
Less Investment Expenses:		
Investment Management Fees	6,989	-
Interest Expense	35	-
Net (Loss) From Investing Activities	125,780	21,437
From Securities Lending Activities:		
Securities Lending Income	5,370	-
Less Securities Lending Expenses:		
Investment Management Fees	5,012	-
Net Income From Securities Lending Activities	358	-
Total Net Investment (Loss)	126,138	21,437
Total Additions	182,741	22,481
DEDUCTIONS		
Benefits	120,934	8,223
Refunds of Contributions	902	-
Administrative Expense	1,097	-
Total Deductions	122,933	8,223
Change in Net Position	59,808	14,258
Net Position - October 1	1,998,054	140,717
Net Position - September 30	$ 2,057,862	$ 154,975

NOTE V. OTHER INFORMATION

F. PENSION PLAN OBLIGATIONS

5. SUPPLEMENTAL PLANS

The City of Tallahassee Supplemental Share Plans for Firefighters and Police Officers were created in 2000 by Sections 14-9.010 and 14-8.010, City Ordinances. Both Plans are defined contribution pension plan covering all full-time Firefighters and Police Officers of the City of Tallahassee. Participation in the Plans are required as a condition of employment. The Plans provide for additional and supplemental pension, death and disability benefits. In addition, the Plans are local law plans subject to provisions of Chapters 175 and 185 of the State of Florida Statutes.

The Plans are each governed by a five-member pension board. The Fire Supplemental Share Plan members include two Firefighters, two City residents and a fifth member elected by the other four members of the board. The Police Supplemental Share Plan members include two Police Officers, two City residents and a fifth member elected by the other four members of the board.

Contributions to the Plans are the Florida Excise Tax Rebate monies received from the State of Florida pursuant to Florida Statutes Chapters 175 and 185. Participants may not make voluntary contributions to the Plans. The total additions to each participant's account cannot exceed $55,000 or 100 percent of each participant's compensation.

Each participant's account is credited with an allocation of the Florida Excise Tax Rebate payment to and among those participants that are entitled on the first day of each plan year. The payments are allocated equally among the total shares of the participants with the number of shares allocated to each participant's account in accordance with the following schedule:

Years of credited service	Number of Shares
Less than 5	0
5 or more, but less than 10	1
10 or more, but less than 15	2
15 or more, but less than 20	3
20 or more, but less than 31	4
31 years or more	5

The Florida Excise Tax Rebate payment for each Plan is sent directly to the City of Tallahassee and is deposited into the City's bank account. Based on the total amount of shares to be distributed to each participants account, the City transfers the money received to Empower (formerly known as Great West Life & Annuity Insurance Company) a third-party administrator who administers the investments for the Plans. A small portion of the money is held by the City and is included in the City's cash and investment pool that is available for use by the Plans Board of Trustees for administrative and operational expenses. These Plans are not included in the City's financial statements. The Plans' Financial Statements are audited by Saltmarsh, Cleaveland & Gund and a copy of the statements can be obtained by contacting Saltmarshcpa.com.

NOTE V. OTHER INFORMATION

G. OTHER EMPLOYEE BENEFITS

1. Deferred Compensation

The City of Tallahassee offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In December 1998, the City established a Trust Agreement where all assets and income of the City Deferred Compensation Plan are held in trust for the exclusive benefit of City employees, in accordance with Internal Revenue Code Sections 457 (b) and (g). Thus, plan assets are no longer subject to the claims of the City's general creditors.

2. Flexible Benefits

The City has implemented a "Cafeteria" Plan created in accordance with Internal Revenue Code Section 125. The plan provides employees with an opportunity to select benefits from a menu of options, many of which are offered on a pre-tax basis.

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

1. OPEB Plan Description

The City administers a cost sharing multi-employer, defined benefit other post employment benefits plan, The City of Tallahassee Retiree Medical Insurance Plan (OPEB Plan). The OPEB Plan provides health insurance and prescription drug coverage for eligible retirees and their eligible dependents through the City's health insurance program, which covers both active and retired employees. Pursuant to Section 112.0801, Florida Statutes, the City is required to permit participation in the health insurance program by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. In addition, the City's program has elected to provide a partial subsidy to its retirees to offset the cost of such health insurance. The City does not issue a stand-alone financial report on the OPEB Plan.

The OPEB Plan is established by City Commission Policy 150. To aid in the administration of the OPEB Plan, the City of Tallahassee created the Retiree Medical Trust (RMI Trust) in January 2010, the provisions of which are in Article VII of Chapter 2 of the City Code of Ordinances. The plan provides health insurance and prescription drug coverage for eligible retirees and their eligible dependents through the City's health insurance program, which covers both active and retired employees.

The OPEB Plan and the RMI Trust are administered by the City of Tallahassee Treasurer-Clerk's Office, under guidance from the Plan's Board of Trustees, which is composed of the members of the City Commission and the chairperson of the general employees' pension advisory committee. The City of Tallahassee does not issue a stand-alone financial report for the RMI Trust. The OPEB plan is also provided for the employees of the Blueprint Intergovernmental Agency (Blueprint), a jointly governed organization, and the Capital Regional Transportation Planning Agency, a joint venture.

The aggregate amounts, reported by the City as of September 30, 2023, of net OPEB liabilities, related deferred inflows and outflows of resources, and OPEB expenses using a valuation date and measurement date of September 30, 2021 are summarized as follows:

OPEB Plan Obligations and Expenses	Primary Government	DIA (Component Unit)	Total (in thousands)
Net OPEB Liability	$ 62,266	$ 108	$ 62,374
OPEB Related Deferred Outflows	16,863	17	16,880
OPEB Related Deferred Inflows	(29,963)	(19)	(29,982)
OPEB Expenses	(10,204)	(4)	(10,208)

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

1. OPEB PLAN DESCRIPTION

OPEB Plan membership at September 30, 2022 was as follows:

Inactive Members or Beneficiaries Currently Receiving Benefits	1,370
Active Members	2,662
Total Members	4,032

Benefits - A member receives a reduced rate on the health insurance premium for the City's health insurance plan. All reduced rate premiums will be deducted from the retiree's pension benefit. If the health insurance premium exceeds the pension benefit amount, the member will pay the City for the difference. The following tables provide the amounts of the City's monthly retiree subsidy that reduces the member's health insurance premium, which were established by Resolution 11-R-04, effective January 1, 2011:

Retiree with No Medicare Coverage	Monthly Subsidy Amount
Individual	$ 174.88
Two-Party	315.71
Three or More	443.22

Retiree with Medicare CHP* Coverage	Monthly Subsidy Amount
Individual	$ 37.78
Two-Party(Both Medicare)	71.74
Two-Party (One Medicare)	183.40
Family (One or two Medicare)	298.82

Retiree with Medicare BCBS** Coverage	Monthly Subsidy Amount
Individual	$ 159.78
Two-Party (Both Medicare)	336.07
Two-Party (One Medicare)	336.07
Family (One or two Medicare)	463.39

*Capital Health Plan **Blue Cross/Blue Shield

Eligibility - A member may continue on the City's health insurance plan upon retirement if the member is drawing a pension for Normal Retirement, Early Retirement or Disability Retirement. The retiree may continue to cover any qualified dependents that were on the City's health insurance plan at the time of retirement. If the retiree's spouse or domestic partner is an active permanent City employee, the member may choose to be covered under the spouse's or domestic partner's insurance coverage. When the spouse or domestic partner retires and begins to draw a pension, both individuals will be covered as retirees under the City's health insurance policy.

A member who is a Deferred Retiree (eligible to retire upon termination but chooses to defer the commencement of a pension benefit) may choose to remain on the City's health insurance plan and pay the unreduced health insurance premium until the commencement of a pension benefit. A Deferred Retiree may also choose to terminate health insurance coverage and be allowed to rejoin the City's health insurance plan upon commencement of a pension benefit and pay the reduced health insurance premium if they are able to prove they maintained continuous health insurance coverage during the period between terminating from the City's health insurance plan and when they rejoined the City's health insurance plan.

A Long-Term Vested Participant (10 years or more service time in the City's pension plan, but not yet eligible to receive a

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

1. OPEB Plan Description

pension benefit) may choose to remain on the City's health insurance plan at their expense. The Participant will be required to pay the unreduced health insurance premium cost until the Participant retires. If the Participant chooses to terminate the City's health insurance coverage, the Participant will no longer be eligible to participate in the OPEB Plan.

A surviving spouse of a deceased retiree may continue or join the City's health insurance plan only if the deceased retiree was enrolled in the City's health insurance plan at the time of death. The surviving spouse may join the OPEB Plan without being subject to the evidence of insurability requirements. The surviving spouse may cover any qualified dependents.

2. OPEB Plan Investments

Due to its small size, there is not a separate investment policy specifically for the assets of the RMI Trust. Chapter 2 of the Municipal Code provides that the RMI Trust invests in instruments similar to those invested in by the City's Pension Fund. There were no significant changes to the investment of the RMI Trust assets during Fiscal Year 2023. Investments in various index funds are each more than 5% of the RMI Trust's position.

3. Net OPEB Liability

Changes in the Net OPEB Liability - The Plan is presenting the net OPEB liability for the year ended September 30, 2023 based on the September 30, 2022 measurement date as follows (in thousands):

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (a) - (b)
Balances at September 30, 2022	$ 91,851	$ 13,094	$ 78,757
Changes for the year:			
Change in Allocation Percentages	11	1	10
Service Cost	2,110	-	2,110
Interest	2,166	-	2,166
Assumption Changes	(18,337)	-	(18,337)
Employer Contributions to the Trust Fund	-	2,262	(2,262)
Employer Contributions not deposited in Trust Fund	-	2,273	(2,273)
Net Investment Income	-	(2,203)	2,203
Benefit Payments	(4,386)	(2,113)	(2,273)
Benefit Payments not reimbursed by Trust Fund	-	(2,273)	2,273
Net Changes	(18,436)	(2,053)	(16,383)
Balances at September 30, 2023	$ 73,415	$ 11,041	$ 62,374

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

3. NET OPEB LIABILITY

The total OPEB liability and contribution rates were determined by an actuarial valuation as of September 30, 2021. The total OPEB liability was rolled forward one year. The significant assumptions used were as follows:

Actuarial Cost Method	Entry Age Normal
Normal Inflation	2.25%.
Discount Rate	4.50%, the resulting Single Discount Rate based on the expected rate of return on OPEB Plan investments as of September 30, 2022 at 7.40% and the long term municipal bond rate as of September 30, 2022 at 4.40%.
Salary Increases	2.95% to 6.40%, including inflation; varies by plan type and years of service.
Retirement Age	Experience based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS). They are based on the results of a statewide experience study covering the period 2013 through 2018. These rates were taken from adjusted Pub-2010 mortality tables publied by SOA with generational mortality improvements using Scale MP-2018.
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 4.40% for 2022 and 4.10% for 2023 (based on actual premium increases), followed by 5.60% for 2024, and then gradually decreasing to an ultimate trend rate of 3.75%.
Aging factors to Death Expenses	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death"
Expenses	Investment returns are net of the investment expenses; and, administrative expenses are included in the per capita health costs.
Notes	The following assumption changes have been reflected in the schedule of Changes in the Total OPEB Liability for the measurement period ending September 30, 2022: The Single Discount Rate was changed from 2.36% to 4.50%. There were no benefit changes during the year.

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

3. NET OPEB LIABILITY

Sensitivity of Net OPEB Liability to changes in the Single Discount Rate –The following presents the plan's net OPEB liability, calculated using a Single Discount Rate of 4.50%, as well as what the plan's net OPEB liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher (in thousands):

	1% Decrease 3.50%	Current Single Discount Rate Assumption 4.50%	1% Increase 5.50%
Primary Government	$ 69,969	$ 62,266	$ 55,733
Primary Government - Component Unit	121	108	97
Total	$ 70,090	$ 62,374	$ 55,830

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates - The following presents the plan's net OPEB liability, calculated using the assumed trend rates as well as what the plan's net OPEB liability would be if it were calculated using a trend rate that is one percent lower or one percent higher (in thousands):

	1% Decrease	Current Healthcare Cost Trend Rate Assumption	1% Increase
Primary Government	$ 56,769	$ 62,266	$ 68,821
Primary Government - Component Unit	98	108	119
Total	$ 56,867	$ 62,374	$ 68,940

OPEB Expense and Deferred Outflows/(Inflows) of Resources Related to OPEB – In accordance with GASB 75, changes in the net OPEB liability are recognized as OPEB expense in the current measurement period, except as shown below. For each of the following, a portion is recognized in OPEB expense in the current measurement period, and the balance is amortized as deferred outflows or inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors which are amortized over the average expected remaining service life of all employees that are provided with benefits through the OPEB plan, both active and inactive.
- Changes of assumptions or other inputs which are amortized over the average expected remaining service life of all employees that are provided with benefits through the OPEB plan, both active and inactive.
- Changes in proportion and differences between contributions and proportionate share of contributions which are amortized over the average expected remaining service life of all employees that are provided with benefits through the OPEB plan, both active and inactive.
- Differences between expected and actual earnings on OPEB plan investments are amortized over five years.

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

3. NET OPEB LIABILITY

Based on a valuation date of September 30, 2021 and a measurement date of September 30, 2022, the City recognized OPEB expenses of ($575,863) for the year ended September 30, 2023. At September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Inflows of Resources
Differences between expected and actual experience	$ -	$ (5,308)	$ (5,308)
Assumption Changes	9,313	(22,872)	(13,559)
Net Difference between projected and actual earnings on OPEB plan investments	2,597	(1,471)	1,126
Change in Net OPEB liability due to Change in Cost-Sharing Allocation Percentage	13	(331)	(318)
Contributions after measurement date	4,957	-	4,957
	$ 16,880	$ (29,982)	$ (13,102)

Deferred outflows of resources related to the plan of $4,957,000, resulting from City contributions to the plan paid subsequent to the measurement date and prior to the City's fiscal year, will be recognized as a reduction of the net OPEB liability in the fiscal year ended September 30, 2023. Other amounts reported as OPEB related deferred outflows and inflows of resources will be recognized in future OPEB expense, as follows:

Year ending September 30,	Net Amount
2024	$ (3,643)
2025	(3,066)
2026	(2,380)
2027	(3,499)
2028	(2,254)
Thereafter	(3,217)
Total	$ (18,059)

4. FUNDING POLICY

The contribution requirements of OPEB Plan members and the City are established and may be amended by the City Commission. These contributions are neither mandated nor guaranteed. The City has retained the right to unilaterally modify its payment for retiree health care benefits. Effective October 1, 2010, the City implemented a "cap" on employer contributions for retirees. Accordingly, the City's subsidy was frozen at the 2010 levels, and retirees must absorb all future premium rate increases.

NOTE V. OTHER INFORMATION

H. OTHER POST EMPLOYMENT BENEFITS (OPEB)

5. STATEMENT OF PLAN NET POSITION AS OF SEPTEMBER 30, 2023

	OPEB Trust
ASSETS	
Cash and Cash Equivalents	$ 656
Receivables:	
Accrued Interest	5
Investments, at Fair Value:	
Domestic Equities	12,503
Securities Lending Collateral	72
Total Assets	$ 13,236
LIABILITIES AND NET POSITION	
Liabilities	
Obligations Under Securities Lending	$ 72
Other Payables	4
Total Liabilities	76
Net Position	
Net Position Restricted for Pensions	13,160
Total Liabilities and Net Position	$ 13,236

6. STATEMENT OF CHANGES IN PLAN NET POSITION FOR THE YEAR ENDED SEPTEMBER 30, 2023

	OPEB Trust
ADDITIONS	
Contributions	
Employer	$ 2,399
Total Contributions	2,399
Investment Loss	
From Investment Activities	
Gain/Loss on Sale of Investments	96
Change in Fair Value of Investments	1,292
Interest Income	308
Total Investment Loss	1,696
Less Investment Expenses:	
Investment Management Fees	8
Net Loss From Investing Activities	1,688
Total Net Investment Loss	1,688
Total Additions	4,087
DEDUCTIONS	
Benefits	2,124
Change in Net Position	1,963
Net Position - October 1	11,197
Net Position - September 30	$ 13,160

NOTE V. OTHER INFORMATION

I. DERIVATIVE INSTRUMENTS

The contracts are recorded at fair value on the Statement of Net Assets as they have been determined to qualify as derivative instruments under GASB Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments". The fair value balances and notional amounts of derivative instruments, all of which are accounted for within the City's business-type activities, as of September 30, 2023, and the changes in fair value of such derivative instruments for the year then ended, are as follows (amounts in thousands):

	Changes in Fair Value		Fair Value at September 30, 2023		
	Classification	Amount	Classification	Amount	Notional
Cash Flow Hedges:					
Commodity Forward-Natural Gas	Deferred Inflows of Resources	($13,152)	Derivative Instrument	$13,152	16,905,000 MMBTUs

The fair values of the forward contracts are estimated based upon the nominal value of their estimated cash flows. For FY 2024 the City has hedged various volumes Over the Counter (OTC) with BP Energy Company and Conoco Phillips Company. Counterparty S&P credit ratings are as follows: BP Energy Company: A-, and Conoco Phillips Company: A-, as of September 30, 2023.

The following table displays the objectives and terms of the City's derivative instruments outstanding as of September 30, 2023.

Type	Objective	Effective Date	Maturity Date	Terms
Commodity Forward Contract	Stabilize cash flows due to market price volatility related to expected purchases of natural gas.	Various	Various: November 2023-September 2024	Pay various prices per MMBTU; settlement based on the Henry Hub index price on the expiration date for natural gas contracts.

NOTE V. OTHER INFORMATION

J. RELATED PARTY TRANSACTIONS

Related party transactions during the year ended September 30, 2023 included the following:

In the current year, Blueprint Intergovernmental Agency (Blueprint) paid to the City $7,310,751 for fiscal year 2023 allocation of the $25 million Blueprint 2000 Water Quality project that funds work performed on the City's Market District stormwater project.

The City paid the following contributions to the Consolidated Dispatch Agency (CDA):

a. $6,617,499 for operations.
b. $331,011 for Fire/EMS revenue.

The City charges fees for administrative services to the CDA, Blueprint, and the Capital Region Transportation Planning Agency (CRTPA). For the year ended September 30, 2023, the City charged fees of $1,602,895, $403,291, and $71,571, respectively.

As of September 30, 2023, the City was owed $169,256 by the CDA, $7,430,926 by Blueprint, $525,772 by CRTPA, and $750 from the Downtown Improvement Authority. The City in turn owed the CDA $703,591 and Blueprint $213,828.

The City and Blueprint Intergovernmental Agency entered an interlocal agreement whereby Blueprint would allocate a portion of their sales tax collections to the City for specific uses including parks and recreation operating costs, Starmetro enhancements, water quality, sidewalks, and airport growth and development. Blueprint paid the City $5,152,500 under this agreement in the fiscal year ended September 30, 2023.

K. SUBSEQUENT EVENTS

CONSOLIDATED UTILITY SYSTEMS REVENUE BONDS, SERIES 2024

On January 31, 2024, the City issued its Consolidated Utility System Revenue Bonds, Series 2024 in the principal amount of $44,660,000. The bond was issued for the purpose of paying the cost of certain capital improvements to the City's consolidated utility system and bears interest at a rate of 5.00%. The terms of the loan from Bank of America call for debt service payments to be made on October 1 of each year from 2024 through 2048 with the first principal payment due on October 1, 2025. Principal and interest are payable and secured by a lien on and pledge of certain funds provided by Resolution, net revenues of the City's Utility System (consisting of the City's water and sewer systems) and the gross revenues of the City's Stormwater Drainage System.

PUBLIC IMPROVEMENT REVENUE NOTE, SERIES 2024

On April 19, 2024, the City issued a Public Improvement Revenue Note, Series 2024 in the principal amount of $25,000,000. The note was issued for the purpose of paying the cost of the construction of a new Senior Center on Welaunee Boulevard in the Canopy Development. The note bears interest rate of 4.045%. The terms of the note from TD Bank calls for debt service payments to be made on April 1 and October 1 of each year from 2025 through 2038 with the first interest payment due on April 1, 2025. Principal and interest are payable and secured by sales tax revenues from the City's 10% of the 1% local government infrastructure surtax revenues collected by the Blueprint Intergovernmental Agency.

CAPITAL BONDS, SERIES 2024

On April 10, 2024, the City Commission approved Resolution 24-R-11 authorizing the issuance of Capital Bonds, Series 2024, not to exceed $70,000,000. The bond will be used for the initial borrowing of the new police station, the funding gap for the Southside Transit Center, Kleman Plaza projects, energy improvements to City buildings, and various roadway projects. The approval authorized the mayor to approve the final official statement with respect to the bonds, appointing a registrar and paying agent, providing certain other covenants and agreements in connection therewith, and providing an effective date. It also approved the appointment of Royal Bank of Canada as senior manager and Raymond James & Associates and Siebert Financial Corporation to serve as co-managers for the sale of the issue.

CITY OF TALLAHASSEE

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REQUIRED SUPPLEMENTARY INFORMATION

THIS SUBSECTION CONTAINS THE FOLLOWING:

Budgetary Comparison Schedule-General Fund

Note to Required Supplementary Information-Budgetary Comparison Schedule-General Fund

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - General Employees

Schedule of Net Pension Liability by Employer - General Employees

Schedule of Contributions - General Employees

Notes to Schedule of Contributions - General Employees

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - Police Officers

Schedule of Contributions - Police Officers

Notes to Schedule of Contributions - Police Officers

Schedule of Changes in the Employer's Net Pension Liability and Related Ratios - Firefighters

Schedule of Contributions - Firefighters

Notes to Schedule of Contributions - Firefighters

Schedule of Investment Returns - Pension Plans

Schedule of Changes in the Net OPEB Liability and Related Ratios

Schedule of the Net OPEB Liability

Notes to Schedule of Net OPEB Liability

Schedule of Contributions - OPEB

Notes to Schedule of Contributions - OPEB

Schedule of Investment Returns - OPEB

CITY OF TALLAHASSEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended September 30, 2023
(in thousands)
(Unaudited)

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance - October 1	$ 148	$ 148	$ 148	$ -
Resources				
Taxes	81,367	81,367	83,632	2,265
Licenses and Permits	2,060	2,060	2,278	218
Intergovernmental Revenues	26,970	26,970	23,920	(3,050)
Charges for Services	10,994	10,994	12,484	1,490
Fines and Forfeitures	618	618	704	86
Interest Earned	304	304	(458)	(762)
Miscellaneous	10,321	10,321	9,469	(852)
Transfers from Other Funds	51,431	51,431	51,161	(270)
Amounts Available for Appropriations	184,213	184,213	183,338	(875)
Charges to Appropriations				
General Government	28,240	27,808	26,869	939
Public Safety	66,665	64,854	63,857	997
Transportation	17,730	17,669	19,909	(2,240)
Human Services	8,754	8,121	8,510	(389)
Physical Environment	3,786	3,747	3,554	193
Culture and Recreation	24,431	24,431	24,460	(29)
Transfers to Other Funds	34,607	37,583	35,943	1,640
Total Charges to Appropriations	184,213	184,213	183,102	1,111
Budgetary Fund Balance - September 30	$ -	$ -	$ 236	$ 236

CITY OF TALLAHASSEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Note to Required Supplementary Information
General Fund
For the Fiscal Year Ended September 30, 2023
(in thousands)
(Unaudited)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenues/Transfers In and Expenditures/Transfers Out

Inflows of Resources	
Actual amounts (budgetary basis) available for appropriation from the budgetary comparison schedule.	$ 183,338
Differences - budget to GAAP	
The fund balance at the beginning of the year is a budgetary resource but is not a current year revenue for financial reporting purposes.	(148)
The revenues of the City's Deficiency Reserve and Scholarship Reserve are current year revenues for reporting purposes but are not considered budgetary inflows.	5,432
Current year nonbudgeted transfer is treated as revenue for financial reporting purposes but not as a budgetary inflow.	369
Miscellaneous items treated as budgetary inflows but not as revenues for financial reporting purposes.	(3,808)
Miscellaneous items treated as revenues for financial reporting purposes but not as budgetary inflows	416
Total Revenues and Other Financing Sources as reported on the statement of revenues, expenditures, and changes in fund balances.	$ 185,599
Outflows of Resources	
Actual amounts (budgetary basis) total charges to appropriations from the budgetary comparison schedule.	$ 183,102
Difference - budget to GAAP	
The expenditures of the City's Deficiency Reserve and Scholarship reserve are current year expenditures for reporting purposes but are not considered budgetary outflows.	496
Current year nonbudgeted transfer is treated as expense for financial reporting purposes but not as a budgetary outflow.	604
Miscellaneous items treated as budgetary outflows but not as expenditures for financial reporting purposes.	(4,464)
Miscellaneous items treated as expenditures for financial reporting purposes but not as budgetary outflows.	518
Total Expenditures and Other Financing Uses as reported on the statement of revenues, expenditures, and changes in fund balances.	$ 180,256

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CHANGES IN THE EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - GENERAL EMPLOYEES PENSION PLAN
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2023)
For the Fiscal Year Ended September 30
(in thousands)
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service Cost	$ 18,650	$ 17,494	$ 17,607	$ 18,012	$ 16,845	$ 15,916	$ 15,008	$ 14,964	$ 14,592	$ 16,333
Interest	104,781	100,846	99,733	96,509	92,484	86,053	78,568	74,426	71,570	70,460
Benefit Changes	-	-	-	(4,776)	-	118	-	-	-	-
Difference between actual & expected experience	11,463	-	(1,448)	9,403	43,132	11,976	17,064	-	(24,196)	-
Assumption Changes	25,685	-	(10,193)	-	19,989	14,262	54,077	-	-	-
Benefit Payments	(78,909)	(75,207)	(71,369)	(66,804)	(62,578)	(58,587)	(54,634)	(50,887)	(47,928)	(44,510)
Refunds	(632)	(814)	(637)	(578)	(485)	(262)	(269)	(312)	(241)	(385)
Net Change in Total Pension Liability	81,038	42,319	33,693	51,766	109,387	69,476	109,814	38,191	13,797	41,898
Total Pension Liability - Beginning	1,425,621	1,383,302	1,349,609	1,297,843	1,188,456	1,118,980	1,009,166	970,975	957,178	915,280
Total Pension Liability - Ending (a)	$1,506,659	$1,425,621	$1,383,302	$1,349,609	$1,297,843	$1,188,456	$1,118,980	$1,009,166	$ 970,975	957,178
Plan Fiduciary Net Position										
Contributions - Employer	$ 27,127	$ 27,127	$ 27,858	$ 26,693	$ 21,927	$ 18,801	$ 14,486	$ 14,591	$ 16,537	16,110
Contributions - Other	-	-	99	3	7	13	356	-	23	92
Contributions - Member	6,914	6,680	6,212	6,171	6,119	5,560	5,160	4,523	4,719	4,607
Net Investment Income	85,307	(75,650)	308,700	75,990	47,306	94,722	127,148	85,979	9,640	89,958
Benefits Payments	(78,909)	(75,207)	(71,369)	(66,804)	(62,578)	(58,587)	(54,634)	(50,887)	(47,928)	(44,510)
Refunds	(632)	(814)	(637)	(578)	(485)	(262)	(269)	(312)	(241)	(385)
Administrative Expense	(741)	(633)	(684)	(606)	(1,112)	(493)	(1,214)	(705)	(637)	(668)
Other - Reallocation of Prior Years' Investment Earnings	-	-	-	8,158	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	39,066	(118,497)	270,179	49,027	11,184	59,754	91,033	53,189	(17,887)	65,204
Plan Fiduciary Net Position - Beginning	1,346,451	1,464,948	1,194,769	1,145,742	1,134,558	1,074,804	983,771	930,582	948,469	883,265
Plan Fiduciary Net Position - Ending (b)	$1,385,517	$1,346,451	$1,464,948	$1,194,769	$1,145,742	$1,134,558	$1,074,804	$ 983,771	$ 930,582	948,469
Net Pension Liability/(Asset) - Ending (a) - (b)	$ 121,142	$ 79,170	$ (81,646)	$ 154,840	$ 152,101	$ 53,898	$ 44,176	$ 25,395	$ 40,393	8,709
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.96 %	94.45 %	105.90 %	88.53 %	88.28 %	95.46 %	96.05 %	97.48 %	95.84 %	99.09
Covered Payroll	$ 132,953	$ 126,769	$ 111,180	$ 112,334	$ 106,445	$ 100,986	$ 110,835	$ 111,638	$ 108,866	106,057
Net Pension Liability/(Asset) as a Percentage of Covered Payroll	91.12 %	62.45 %	(73.44)%	137.84 %	142.89 %	53.37 %	39.86 %	22.75 %	37.10 %	8.21 %

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA

SCHEDULE OF NET PENSION LIABILITY BY EMPLOYER - GENERAL EMPLOYEES
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2023)
(in thousands)
(Unaudited)

Fiscal year ending September 30, 2023	BPIA	CRTPA	CDA	City of Tallahassee	General Employees Total
Total Pension Liability - Beginning	$ 21,108	$ 5,690	$ 46,547	$ 1,352,276	$ 1,425,621
Total Pension Liability - Ending (a)	$ 24,659	$ 5,734	$ 48,616	$ 1,427,650	$ 1,506,659
Plan Fiduciary Net Position - Beginning	$ 19,936	$ 5,374	$ 43,962	$ 1,277,179	$ 1,346,451
Plan Fiduciary Net Position - Ending (b)	$ 22,676	$ 5,273	$ 44,707	$ 1,312,861	$ 1,385,517
Net Pension Liability - Ending (a) - (b)	$ 1,983	$ 461	$ 3,909	$ 114,789	$ 121,142
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	91.96 %	91.96 %	91.96 %	91.96 %	91.96 %
Covered Payroll	$ 2,176	$ 506	$ 4,290	$ 125,981	$ 132,953
Net Pension Asset as a percentage of Covered Payroll	91.13 %	91.11 %	91.12 %	91.12 %	91.12 %
Allocation Determination*					
Allocation Percentage Prior Year	1.48 %	0.40 %	3.26 %	94.86 %	100.00 %
Allocation Percentage Current Year	1.64 %	0.38 %	3.22 %	94.76 %	100.00 %

*The Total Pension Liability, the Plan Fiduciary Net Position, and the Net Pension Liability are allocated by department based on the covered payroll for each department.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CONTRIBUTIONS - GENERAL EMPLOYEES
Last Ten Fiscal Years
(in thousands)
(Unaudited)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 16,110	$ 16,110	$ -	$ 106,057	15.19 %
2015	16,537	16,537	-	108,866	15.19
2016	14,591	14,591	-	111,638	13.07
2017	14,486	14,486	-	110,835	13.07
2018	18,713	18,801	(88)	100,986	18.62
2019	21,927	21,927	-	106,445	20.60
2020	26,693	26,693	-	112,334	23.76
2021	27,858	27,858	-	111,180	25.06
2022	27,127	27,127	-	126,769	21.40
2023	27,127	27,127	-	132,953	20.40

NOTES TO SCHEDULE OF CONTRIBUTIONS - GENERAL EMPLOYEES

Valuation Date: October 1, 2020
Measurement Date: September 30, 2023

Notes: Actuarially determined contribution rates are calculated as of October 1, 2020 for the fiscal year ended September 30,2023. The actuarially determined contribution is projected to the contribution year using conventional actuarial projection methods.

Methods and Assumption Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay (with 2.31% payroll growth assumption), Closed
Remaining Amortization Period	28 years
Asset Valuation Method	20% of the difference between expected actuarial value (based on assumed return) and fair value is recognized each year with 20% corridor around fair value
Inflation	2.5%
Salary Increases	A range of 2.95% to 5.00%, depending on completed years of service, including inflation
Investment Rate of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The mortality tables used are the same as those used in the July 1, 2019 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Regular (other than K-12 School Instructional Personnel) members. These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthy lives to all futur years after 2010 using Scale MP-2018.

Other Information:

Notes	See Discussion of Valuation Results in the October 1, 2020 Actuarial Valuation Report dated March 19, 2021.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS
POLICE OFFICERS
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2023)
For the Fiscal Year Ended September 30
(in thousands)
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service Cost	$ 7,338	$ 7,304	$ 7,203	$ 7,178	$ 6,858	$ 6,777	$ 6,031	$ 5,573	$ 5,570	$ 6,094
Interest	32,591	31,398	31,491	30,192	28,820	27,583	25,451	23,784	22,775	21,635
Benefit Changes	-	-	509	-	-	(5,904)	-	-	-	-
Difference between actual & expected experience	872	-	737	1,907	6,042	3,283	8,041	-	1,263	-
Assumption Changes	8,179	-	(12,726)	-	4,893	4,776	11,610	-	-	-
Benefit Payments	(24,123)	(22,478)	(21,347)	(19,873)	(18,729)	(17,606)	(16,699)	(15,737)	(14,684)	(12,638)
Refunds	(210)	(165)	(323)	(90)	(210)	(184)	(105)	(156)	(64)	(151)
Net Change in Total Pension Liability	24,647	16,059	5,544	19,314	27,674	18,725	34,329	13,464	14,860	14,940
Total Pension Liability - Beginning	444,376	428,317	422,773	403,459	375,785	357,060	322,731	309,267	294,407	279,467
Total Pension Liability - Ending (a)	$ 469,023	$ 444,376	$ 428,317	$ 422,773	$ 403,459	$ 375,785	$ 357,060	$ 322,731	$ 309,267	$ 294,407
Plan Fiduciary Net Position										
Contributions - Employer	$ 9,452	$ 9,452	$ 9,456	$ 8,905	$ 8,304	$ 8,326	$ 6,996	$ 6,585	$ 5,940	$ 5,779
Contributions - Non-Employer Contributing Entity	-	-	28	1	2	4	109	-	6	26
Contributions - Member	2,996	3,092	3,324	3,369	3,187	3,451	3,483	3,230	3,104	2,808
Net Investment Income	24,389	(21,609)	88,199	21,789	15,073	29,685	39,016	25,772	2,843	26,199
Benefits Payments	(24,123)	(22,478)	(21,347)	(19,873)	(18,729)	(17,606)	(16,699)	(15,737)	(14,684)	(12,638)
Refunds	(210)	(165)	(323)	(90)	(210)	(184)	(105)	(156)	(64)	(151)
Administrative Expense	(213)	(181)	(196)	(173)	(500)	(153)	(369)	(200)	(187)	(192)
Other - Reallocation of Prior Years' Investment Earnings	-	-	-	(13,119)	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	12,291	(31,889)	79,141	809	7,127	23,523	32,431	19,494	(3,042)	21,831
Plan Fiduciary Net Position - Beginning	390,916	422,805	343,664	342,855	335,728	312,205	279,774	260,280	263,322	241,491
Plan Fiduciary Net Position - Ending (b)	$ 403,207	$ 390,916	$ 422,805	$ 343,664	$ 342,855	$ 335,728	$ 312,205	$ 279,774	$ 260,280	$ 263,322
Net Pension Liability - Ending (a) - (b)	$ 65,816	$ 53,460	$ 5,512	$ 79,109	$ 60,604	$ 40,057	$ 44,855	$ 42,957	$ 48,987	$ 31,085
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.97 %	87.97 %	98.71 %	81.29 %	84.98 %	89.34 %	87.44 %	86.69 %	84.16 %	89.44 %
Covered Payroll	$ 29,427	$ 29,509	$ 27,424	$ 27,031	$ 26,071	$ 26,235	$ 27,170	$ 25,573	$ 25,559	$ 24,865
Net Pension Liability as a Percentage of Covered Payroll	223.66 %	181.17 %	20.10 %	292.66 %	232.46 %	152.69 %	165.09 %	167.98 %	191.66 %	125.02 %

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CONTRIBUTIONS - POLICE OFFICERS
(in thousands)
(Unaudited)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 5,779	$ 5,779	$ -	$ 24,865	23.24 %
2015	5,940	5,940	-	25,559	23.24
2016	6,585	6,585	-	25,573	25.75
2017	6,996	6,996	-	27,170	25.75
2018	8,238	8,326	(88)	26,235	31.74
2019	8,304	8,304	-	26,071	31.85
2020	8,905	8,905	-	27,031	32.94
2021	9,456	9,456	-	27,424	34.48
2022	9,452	9,452	-	29,509	32.03
2023	9,452	9,452	-	29,427	32.12

NOTES TO SCHEDULE OF CONTRIBUTIONS - POLICE OFFICERS

Valuation Date: October 1, 2020
Measurement Date: September 30, 2023
Notes: Actuarially determined contribution rates are calculated as of October 1 2020 for the fiscal year ened September 30, 2023. The actuarially determined contribution is projected to the contribution year using conventional actuarial projection methods.

Methods and Assumption Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay (with 2.49% payroll growth assumption), Closed
Remaining Amortization Period	28 years
Asset Valuation Method	20% of the difference between expected actuarial value (based on assumed return) and fair value is recognized each year with 20% corridor around fair value
Inflation	2.5%
Salary Increases	A range of 4.5% to 6.4%, depending on completed years of service, including inflation
Investment Rate of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The mortality tables used the same as those used in the July 1, 2019 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the pub-2010 mortality tables with mortality improvements projected for healthy lives to all future years after 2010 using Scale MP-2018.

Other Information:

Notes	See Discussion of Valuation Results in the October 1, 2020 Actuarial Valuation Report dated March 19, 2021, and the Actuarial Impact Statements for Ordinance No. 21-O-14 dated April 14, 2021, Ordinance No. 21-O-24 dated June 29, 2021, and Ordinance No. 21-O-30 dated September 13, 2021.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CHANGES IN EMPLOYER'S NET PENSION LIABILITY AND RELATED RATIOS - FIREFIGHTERS
(BASED ON MEASUREMENT PERIOD ENDING SEPTEMBER 30, 2023)
For the Fiscal Year Ended September 30
(in thousands)
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability										
Service Cost	$ 4,995	$ 4,764	$ 4,598	$ 4,636	$ 4,310	$ 4,000	$ 3,863	$ 3,564	$ 3,288	$ 3,987
Interest	22,354	21,651	21,955	21,357	20,412	19,312	17,968	16,774	16,205	15,438
Benefit Changes	-	-	(9)	-	-	(1,850)	-	-	-	-
Difference between actual & expected experience	615	-	(1,513)	2,063	4,784	3,136	8,020	-	2,783	-
Assumption Changes	5,458	-	(9,691)	-	4,930	4,590	9,978	-	-	-
Benefit Payments	(17,901)	(17,471)	(16,606)	(15,960)	(15,275)	(14,772)	(13,669)	(12,701)	(12,074)	(11,042)
Refunds	(95)	(53)	(213)	(155)	(339)	(50)	(65)	(65)	(5)	(90)
Net Change in Total Pension Liability	15,426	8,891	(1,479)	11,941	18,822	14,366	26,095	7,572	10,197	8,293
Total Pension Liability - Beginning	305,472	296,581	298,060	286,119	267,297	252,931	226,836	219,264	209,067	200,774
Total Pension Liability - Ending (a)	$ 320,898	$ 305,472	$ 296,581	$ 298,060	$ 286,119	$ 267,297	$ 252,931	$ 226,836	$ 219,264	$ 209,067
Plan Fiduciary Net Position										
Contributions - Employer	$ 6,658	$ 6,658	$ 7,084	$ 6,443	$ 5,735	$ 5,001	$ 4,970	$ 4,671	$ 4,104	$ 3,894
Contributions - Non-Employer Contributing Entity	-	-	19	1	1	3	66	-	4	17
Contributions - Member	3,454	3,467	3,235	3,384	2,999	2,862	3,270	3,092	2,774	2,398
Net Investment Income	16,477	(14,602)	59,591	14,654	8,831	17,675	23,810	15,933	1,782	16,635
Benefits Payments	(17,901)	(17,471)	(16,606)	(15,960)	(15,275)	(14,772)	(13,669)	(12,701)	(12,074)	(11,042)
Refunds	(95)	(53)	(213)	(155)	(339)	(50)	(65)	(65)	(5)	(90)
Administrative Expense	(143)	(118)	(132)	(117)	(310)	(92)	(227)	(124)	(117)	(124)
Other - Reallocation of Prior Years' Investment Earnings	-	-	-	4,961	-	-	-	-	-	-
Net Change in Plan Fiduciary Net Position	8,450	(22,119)	52,978	13,211	1,642	10,627	18,155	10,806	(3,532)	11,688
Plan Fiduciary Net Position - Beginning	261,596	283,715	230,737	217,526	215,884	205,257	187,102	176,296	179,828	168,140
Plan Fiduciary Net Position - Ending (b)	$ 270,046	$ 261,596	$ 283,715	$ 230,737	$ 217,526	$ 215,884	$ 205,257	$ 187,102	$ 176,296	$ 179,828
Net Pension Liability - Ending (a) - (b)	$ 50,852	$ 43,876	$ 12,866	$ 67,323	$ 68,593	$ 51,413	$ 47,674	$ 39,734	$ 42,968	29,239
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.15 %	85.64 %	95.66 %	77.41 %	76.03 %	80.77 %	81.15 %	82.48 %	80.40 %	86.01 %
Covered Payroll	$ 18,990	$ 18,264	$ 16,427	$ 15,806	$ 15,545	$ 15,097	$ 18,774	$ 17,645	$ 16,280	$ 15,446
Net Pension Liability as a Percentage of Covered Payroll	267.78 %	240.23 %	78.32 %	425.93 %	441.25 %	340.55 %	253.94 %	225.19 %	263.93 %	189.30 %

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CONTRIBUTIONS - FIREFIGHTERS
(in thousands)
(Unaudited)

Fiscal Year Ending September 30,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	$ 3,894	$ 3,894	$ -	$ 15,446	25.21 %
2015	4,104	4,104	-	16,280	25.21
2016	4,671	4,671	-	17,645	26.47
2017	4,970	4,970	-	18,774	26.47
2018	4,700	5,001	(301	15,097	33.13
2019	5,735	5,735	-	15,545	36.89
2020	6,443	6,443	-	15,806	40.76
2021	7,084	7,084	-	16,427	43.12
2022	6,658	6,658	-	18,264	36.45
2023	6,658	6,658	-	18,990	35.06

** The actual contributions are the same as contractually required contributions for participating cost sharing employers.*

NOTES TO SCHEDULE OF CONTRIBUTIONS - FIREFIGHTERS

Valuation Date: October 1, 2020
Measurement Date: September 30, 2023

Notes: Actuarially determined contribution rates are calculated as of October 1, 2020,for the fiscal year ended September 30, 2023

Methods and Assumption Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent of Pay (with 3.05% payroll growth assumption), Closed
Remaining Amortization Period	28 years
Asset Valuation Method	20% of the difference between expected actuarial value (based on assumed return) and fair value is recognized each year with 20% corridor around fair value
Inflation	2.5%
Salary Increases	A range of 4.40% to 5.75%, depending on completed years of service, including inflation
Investment Rate of Return	7.40%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	The mortality tables used are the same as those used in the July 1, 2019 Pension Actuarial Valuation of the Florida Retirement System (FRS) for Special Risk members. These tables are based on the Pub-2010 mortality tables with mortality improvements projected for healthy lives to all future years 2010 using Scale MP-2018.

Other Information:

Notes	See Discussion of Valuation Results in the October 1, 2020 Actuarial Valuation Report dated March 19, 2021, and the Acturial Impact Statement for Ordinance No.21-O-14 dated April 14, 2021.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF INVESTMENT RETURNS - PENSION PLANS
For the Fiscal Year Ended September 30
(Unaudited)

Fiscal Year Ending September 30,	Annual Return*
2014	10.34%
2015	0.29
2016	9.04
2017	13.12
2018	8.58
2019	3.73
2020	5.80
2021	25.50
2022	(8.40)
2023	6.90

*Estimated Annual money-weighted rate of return, net of investment expenses.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIO
For the Fiscal Year Ended September 30
(in thousands)
(Unaudited)

	2023	2022	2021	2020	2019	2018	2017
Total OPEB Liability							
Service cost	$ 1,518	$ 2,140	$ 2,285	$ 2,288	$ 2,064	$ 2,375	$ 2,468
Interest on the total OPEB liability	3,306	2,149	2,618	2,942	3,545	3,334	3,041
Charge of benefit terms	-	-	30	-	-	-	-
Differences between expected and actual experience	-	2,070	(5,297)	(800)	(74)	-	-
Change of assumptions	(1,797)	(18,597)	(9,702)	(59)	12,851	(3,480)	(5,015)
Benefit payments	(5,028)	(4,448)	(4,153)	(4,366)	(4,635)	(4,851)	(4,412)
Net change in total OPEB liability	(2,001)	(16,686)	(14,219)	5	13,751	(2,622)	(3,918)
Total OPEB liability - beginning	74,455	91,141	105,360	11,129	(2,622)	-	98,144
Total OPEB liability - ending (a)	$ 72,454	$ 74,455	$ 91,141	$ 11,134	$ 11,129	$ (2,622)	$ 94,226
Plan Fiduciary Net Pension							
Employer Contributions to the OPEB Trust Fund	$ 2,399	$ 2,294	$ 2,272	$ 2,033	$ 2,031	$ 2,017	$ 2,015
Employer Contributions not deposited in OPEB Trust Fund	2,904	2,305	2,037	2,216	(2,439)	2,673	-
OPEB plan net investment income	1,688	(2,235)	2,798	1,364	385	1,447	1,273
Benefit payments	(2,124)	(2,143)	(2,116)	(2,150)	(2,196)	(2,177)	(2,170)
Benefit payments not reimbursed by the OPEB Trust Fund	(2,904)	(2,305)	(2,037)	(2,216)	2,439	(2,673)	-
Other (Adjustment to prior year)	-	-	-	-	-	1	-
Net change in plan fiduciary net position	1,963	(2,084)	2,954	1,247	220	1,288	1,118
Plan fiduciary net position - beginning	11,197	13,281	10,327	9,080	8,862	-	6,456
Plan fiduciary net position - ending (b)	$ 13,160	$ 11,197	$ 13,281	$ 10,327	$ 9,082	$ 1,288	$ 7,574
Net OPEB liability - ending (a) - (b)	$ 59,294	$ 63,258	$ 77,860	$ 807	$ 2,047	$ (3,910)	$ 86,652
Plan fiduciary net position as a % of the total OPEB liability	18 %	15 %	15 %	93 %	82 %	(49)%	8 %
Covered-Employee payroll	$ 177,080	$ 170,403	$ 151,408	$ 151,273	$ 151,093	$ 153,725	$ 149,247
Net OPEB liability as a % of covered-employee payroll	33 %	37 %	51 %	1 %	1 %	(3)%	58 %

Note: Covered-Employee Payrolls presented above are estimates based on the data submitted for valuation purposes. GASB Statement 75 defined Covered-Employee payroll as the payroll of employees that are provided with OPEB through the OPEB plan, including employees terminating during the measurement period.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF NET OPEB LIABILITY
(in thousands)
(Unaudited)

FY Ending September 30,	Total OPEB Liability	Plan Net Position	Net OPEB Liability	Plan Net Position as a % of Total OPEB Liability	Covered-Employee Payroll	Net OPEB Liability as a % of Covered Employee Payroll
2017	$ 94,226	$ 7,574	$ 86,652	8.04	$ 149,247	58.06 %
2018	91,604	8,860	82,744	9.67	153,725	53.83
2019	105,355	9,080	96,275	8.62	151,093	63.72
2020	105,360	10,327	95,033	9.80	151,273	62.82 %
2021	91,141	13,281	77,860	14.57	151,408	51.42 %
2022	74,455	11,197	63,258	15.04	170,403	37.12 %
2023	72,455	13,160	59,295	18.16	177,080	33.48 %

NOTES TO SCHEDULE OF NET OPEB LIABILITY

Valuation date: September 30, 2021

Measurement Date: September 30, 2023

Roll-Forward Procedures:: The total OPEB Liability was rolled forward twelve months from the Valuation Date to the Measurement Date using standard actuarial techniques.

Methods and Assumptions Used to Determine Net OPEB Liability::

Actuarial Cost Method	Entry Age Normal.
Inflation	2.25%.
Discount Rate	4.76%, the resulting Single Discount Rate based on the expected rate of return on OPEB plan investments as of September 30, 2023 at 7.25% and the long-term municipal bond rate as of September 30, 2023 at 4.63%.
Salary Increases	2.95% to 6.40%, including inflation; varies by plan type and years of service.
Retirement Age	Experience-based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS). They are based on the results of a statewide experience study covering the period from 2013 to 2018. These rates were taken from adjusted Pub-2010 mortality tables published by SOA with generational mortality improvements using Scale MP-2018.
Healthcare Cost Trend Rates	Based on the Getzen Model, with a trend starting at 4.40% for 2022 and 4.10% for 2023 (based on actual premium increases), followed by 5.60% for 2024, and then gradually decreasing to an ultimate trend rate of 3.75%.
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Investment expenses are net of the investment returns; and, Administrative expenses are included in the per capital health cost.

Other Information:

Notes	There were no benefit changes during the year. The following assumption changes have been reflected in the Schedule of Changes in the Total OPEB Liability for the measurment period ending Septmber 30, 2023: -The Single Discount Rate from the beginning of the year at 4.50% is changed to the end of the year at 4.76% (the resulting Single Discount Rate based on the expected rate of return on OPEB plan investments as of September 30, 2023 at 7.25% and the long-term municipal bond rate as of September 30, 2023 at 4.63%).

Note: Schedule is intended to show information for ten years. Additional years will be displayed as the information becomes available.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF CONTRIBUTIONS - OPEB
(in thousands)
(Unaudited)

FY ending September 30,	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Employee Payroll
2017	$ 5,323	$ 2,015	$ 3,308	$ 149,247	1.35 %
2018	5,567	2,017	3,550	153,725	1.31 %
2019	5,377	2,031	3,346	151,093	1.34 %
2020	6,070	2,033	4,037	151,273	1.34 %
2021	5,410	2,272	3,138	151,408	1.50 %
2022	5,654	2,294	3,360	170,403	1.35 %
2023	5,788	2,399	3,389	177,080	1.35 %

NOTES TO SCHEDULE OF CONTRIBUTIONS - OPEB

Valuation date: September 30, 2021

Notes: Actuarially determined contribution rates are calculated as of October 1, which is the beginning of the year in which contributions are made and reported.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial cost method	Entry Age Normal.
Amortization method	Level Percentage of Payroll, Closed.
Remaining Amortization Period	23 years.
Asset Valuation Method	Market Value.
Inflation	2.25%.
Salary increases	2.95% to 6.40%, including inflation; varies by plan type and years of service.
Investment rate of return	2.36%, net of OPEB plan expense, including inflation.
Retirement Age	Experience-based table of rates that are specific to the plan and type of eligibility condition.
Mortality	Mortality tables used in the July 1, 2020 actuarial valuation of the Florida Retirement System (FRS). They are based on the results of a statewide experience study covering the period 2013 through 2018. These rates were taken from adjusted Pub-2010 mortality tables published by SOA with generational mortality improvements using Scale MP-2018.
Health Care Trend Rate	Based on the Getzen Model, with trend starting at 4.40% for 2022 and 4.10% for 2023 (based on actual premium increases), followed by 5.60% for 2024, and then gradually decreasing to an ultimate trend rate of 3.75%
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Investment expenses are net of the investment returns; and, Administrative expenses are included in the per capita health costs.

Other Information:

Notes	There were no benefit changes during the year. See Summary of Funding Results in section C of the September 30, 2021 OPEB Actuarial Valuation Report.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

CITY OF TALLAHASSEE, FLORIDA
SCHEDULE OF INVESTMENT RETURNS - OPEB
(Unaudited)

FY Ending September 30,	Annual Return*
2017	18.68 %
2018	17.87
2019	4.27
2020	15.10
2021	26.89
2022	(16.73)
2023	14.89

* Estimated Annual money-weighted rate of return, net of investment expenses.

Note: Schedule is intended to show information for 10 years. Additional years will be displayed as the information becomes available.

CITY OF TALLAHASSEE

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COMBINING FINANCIAL STATEMENTS

These basic financial statements provide a summary overview of the financial position of all funds and account groups as well as the operating results of all funds. They also serve as an introduction to the more detailed statements and schedules that follow in subsequent sections:

Nonmajor Governmental Funds

Nonmajor Enterprise Funds

Internal Service Funds

Fiduciary Funds



CITY OF TALLAHASSEE

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NONMAJOR GOVERNMENTAL FUNDS

Community Redevelopment Agency	Accounts for the general tax revenue collected on and the expenses incurred in the redevelopment of properties in the community redevelopment area.
Special Projects	Accounts for federal, state and local grants. These grants include but are not limited to the Community Development Block Grant, the Neighborhood Stabilization Program, the Homeless Prevention and Rapid Re-Housing Program, Emergency Shelter Grants, the HOME program and other miscellaneous grants. This fund includes other miscellaneous items that are to be used for general government purposes that are not appropriated in another fund.
Law Enforcement	For the accounting of state and federal forfeitures received by the City as prescribed by Florida Statutes. Also included: the Federal Law Enforcement Block Grant revenues and expenditures; and Second Dollar funding revenues received from the County who collects fines from citizens guilty of a statute violation or local ordinance.
Building Code Enforcement	Accounts for all assets, operations, and maintenance of the City's Building Inspection Division of the Growth Management Department. Revenues accounted for in this fund are derived from fees, fines, and investment earnings from the enforcement and implementation of the Florida Building code. Revenues in this fund were previously captured and reported in the General Revenue Fund.
Concurrency	Accounts for activity resulting from the State's new concurrency requirements outlined in Chapter 163, F.S. This statute allows developers the opportunity to move forward with development despite concurrency constraints by contributing their fair share of the cost to improve the impacted transportation facilities.
State Housing Partnership	Accounts for State funding to be used as an incentive to produce and preserve affordable housing for very low, low, and moderate income families.
Debt Service	Accounts for the accumulation of resources for, and the payment of, interest and principal on all general long-term debt other than that payable from Proprietary Funds.
Capital Improvement	Accounts for general revenue used for the acquisition or construction of general fixed assets.
Capital Bonds	Accounts for bond proceeds used for the acquisition or construction of general fixed assets.
Sales Tax Construction	Accounts for tax proceeds used for the acquisition or construction of public safety and transportation improvements.
Gas Tax	Accounts for tax proceeds used for the acquisition or construction of transportation improvements.
Cemetery	To accumulate resources for the perpetual maintenance of the City's cemeteries which include the sale and maintenance of plots.

CITY OF TALLAHASSEE, FLORIDA
COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2023
(in thousands)

	Special Revenue Funds					
	Community Redevelopment Agency	Special Projects	Law Enforcement	Building Code Enforcement	Concurrency	State Housing Partnership
ASSETS						
Cash and Cash Equivalents	$ -	$ 21,181	$ -	$ 2,228	$ 6,445	$ -
Securities Lending Collateral	-	123	-	13	37	-
Receivables:						
Accrued Interest	-	127	-	13	39	-
Customers and Others	-	-	-	34	-	-
Leases	-	-	-	-	-	-
Notes	-	30	-	-	-	-
Special Assessments	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-
Due From Other Governments	-	889	-	-	-	-
Advances To Other Funds	-	-	-	-	-	-
Cash and Cash Equivalents	18,921	-	646	-	-	3,200
Securities Lending Collateral	110	-	4	-	-	19
Receivables - Restricted:						
Accrued Interest	114	-	4	-	-	19
Customers and Others	3	2	3	-	-	-
Notes	162	-	-	-	-	271
Due From Other Governments	-	4,546	-	-	-	-
Total Assets	$ 19,310	$ 26,898	$ 657	$ 2,288	$ 6,521	$ 3,509
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities						
Obligations Under Securities Lending	$ -	$ 123	$ -	$ 13	$ 37	$ -
Accounts and Retainage Payable	-	497	-	159	5	-
Due To Other Funds	-	1,154	-	-	-	-
Advances from Other Funds	11	-	-	-	-	-
Unearned Revenue	-	16,785	-	-	-	-
Obligations Under Securities Lending - Restricted	110	-	4	-	-	19
Accounts and Retainage Payable - Restricted	52	186	2	6	-	122
Unearned Revenue - Restricted	-	-	308	-	-	3,637
Total Liabilities	173	18,745	314	178	42	3,778
Deferred Inflows of Resources						
Lease Related Deferred Inflows	-	-	-	-	-	-
Total Liabilities and Deferred Inflows	173	18,745	314	178	42	3,778
Fund Balances						
Nonspendable	162	-	-	-	-	-
Spendable:						
Restricted	18,975	3,127	21	2,110	6,479	-
Committed	-	5,026	322	-	-	-
Unassigned	-	-	-	-	-	(269)
Total Fund Balances	19,137	8,153	343	2,110	6,479	(269)
Total Liabilities and Fund Balances	$ 19,310	$ 26,898	$ 657	$ 2,288	$ 6,521	$ 3,509

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING BALANCE SHEET
Nonmajor Governmental Funds
September 30, 2023
(in thousands)

	Capital Project Funds				Permanent Fund	
Debt Service	Capital Improvement	Capital Bonds	Sales Tax Construction	Gas Tax	Cemetery	Total
$ -	$ 14,564	$ -	$ 7,537	$ -	$ 2,181	$ 54,136
-	84	2	42	-	13	314
-	85	-	45	-	13	322
-	-	-	-	-	-	34
-	-	-	727	-	-	727
-	62	-	-	-	-	92
-	47	-	-	-	-	47
-	1,154	-	-	-	-	1,154
-	-	25	1,115	1,210	-	3,239
11,773	-	-	-	-	-	11,773
-	10,457	-	-	-	-	33,224
-	61	-	-	-	-	194
-	70	-	-	-	-	207
-	-	-	-	-	-	8
-	-	-	-	-	-	433
-	-	-	-	-	-	4,546
$ 11,773	$ 26,584	$ 27	$ 9,466	$ 1,210	$ 2,207	$ 110,450
$ -	$ 84	$ 2	$ 42	$ -	$ 13	$ 314
-	629	1,855	517	595	2	4,259
-	-	12,635	-	250	-	14,039
-	3,000	-	-	-	-	3,011
-	-	-	-	-	-	16,785
-	61	-	-	-	-	194
-	625	-	-	-	-	993
-	-	-	-	-	-	3,945
-	4,399	14,492	559	845	15	43,540
-	-	-	699	-	-	699
-	4,399	14,492	1,258	845	15	44,239
11,773	-	-	25	-	-	11,960
-	-	-	8,183	365	-	39,260
-	22,185	-	-	-	2,192	29,725
-	-	(14,465)	-	-	-	(14,734)
11,773	22,185	(14,465)	8,208	365	2,192	66,211
$ 11,773	$ 26,584	$ 27	$ 9,466	$ 1,210	$ 2,207	$ 110,450

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Special Revenue Funds					
	Community Redevelopment Agency	Special Projects	Law Enforcement	Building Code Enforcement	Concurrency	State Housing Partnership
REVENUES						
Taxes	$ 3,787	$ -	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	4,692	1,405	-
Intergovernmental Revenues	4,050	19,983	142	-	-	384
Charges for Services	431	-	-	316	-	-
Fines and Forfeitures	-	-	198	20	-	-
Net Investment Earnings	441	781	16	41	143	71
Securities Lending Income	7	14	-	-	-	-
Change in Fair Value of Investments	261	5	-	3	-	-
Miscellaneous Revenues	-	3,364	-	280	-	-
Total Revenues	8,977	24,147	356	5,352	1,548	455
EXPENDITURES						
Current:						
General Government	-	5,018	-	-	4	-
Public Safety	-	1,479	473	4,569	-	-
Transportation	-	2,103	-	-	186	-
Human Services	-	2,828	-	-	-	-
Economic Environment	6,123	8,757	-	-	-	1,384
Physical Environment	-	174	-	-	-	-
Culture and Recreation	-	68	-	-	-	-
Securities Lending Expense:						
Interest Expense	6	11	-	-	-	-
Agent Fees	-	1	-	-	-	-
Debt Service:						
Principal Retired	550	-	-	-	-	-
Interest and Fiscal Charges	44	-	-	-	-	-
Total Expenditures	6,723	20,439	473	4,569	190	1,384
Excess of Revenues Over (Under) Expenditures	2,254	3,708	(117)	783	1,358	(929)
OTHER FINANCING SOURCES (USES)						
Transfers In	23	20	156	-	-	-
Transfers Out	(73)	(23)	(3)	(79)	-	-
Total Other Financing Sources (Uses)	(50)	(3)	153	(79)	-	-
Net Change in Fund Balances	2,204	3,705	36	704	1,358	(929)
Fund Balances - October 1	16,933	4,448	307	1,406	5,121	660
Fund Balances - September 30	$ 19,137	$ 8,153	$ 343	$ 2,110	$ 6,479	$ (269)

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
Nonmajor Governmental Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Capital Project Funds				Permanent Fund	
Debt Service	Capital Improvement	Capital Bonds	Sales Tax Construction	Gas Tax	Cemetery	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ 3,787
-	-	-	-	-	-	6,097
-	3,729	-	6,338	6,848	-	41,474
-	140	-	-	-	130	1,017
-	-	-	-	-	-	218
175	639	-	143	50	50	2,550
-	14	-	-	-	-	35
-	-	-	-	-	30	299
-	327	45	190	-	-	4,206
175	4,849	45	6,671	6,898	210	59,683
-	924	-	84	-	-	6,030
-	2,087	5,428	-	-	-	14,036
-	2,093	2,438	3,906	2,706	-	13,432
-	106	-	-	-	-	2,934
-	471	-	-	-	-	16,735
-	268	926	3	-	229	1,600
-	914	260	1,362	-	-	2,604
-	11	-	-	-	-	28
-	1	-	-	-	-	2
8,264	-	-	-	-	-	8,814
2,644	-	195	-	-	-	2,883
10,908	6,875	9,247	5,355	2,706	229	69,098
(10,733)	(2,026)	(9,202)	1,316	4,192	(19)	(9,415)
8,868	3,287	-	-	-	3	12,357
-	-	-	-	(6,390)	(230)	(6,798)
8,868	3,287	-	-	(6,390)	(227)	5,559
(1,865)	1,261	(9,202)	1,316	(2,198)	(246)	(3,856)
13,638	20,924	(5,263)	6,892	2,563	2,438	70,067
$ 11,773	$ 22,185	$ (14,465)	$ 8,208	$ 365	$ 2,192	$ 66,211

NONMAJOR
ENTERPRISE FUNDS

StarMetro Accounts for the operations and maintenance of the City's public transit system.

Solid Waste Accounts for the assets, operation and maintenance of the City-owned solid waste operation.

Golf Course Accounts for the operations of the City's eighteen-hole Hilaman Park Golf Course.

Fire Services Accounts for the operation and maintenance of the City-owned fire services department.

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF NET POSITION
Nonmajor Enterprise Funds
September 30, 2023
(in thousands)

	StarMetro	Solid Waste	Golf	Fire Services	Total
ASSETS AND DEFERRED OUTFLOWS					
Current Assets:					
Cash and Cash Equivalents	$ -	$ 2,426	$ 592	$ -	$ 3,018
Securities Lending Collateral	-	14	3	-	17
Receivables:					
Accrued Interest	-	15	4	-	19
Customers and Others	10	5,662	-	8,321	13,993
Due From Other Governments	16,178	106	-	2,939	19,223
Less: Allowance for Doubtful Accounts	(18)	(986)	-	(1,278)	(2,282)
Due From Other Funds	-	3,886	-	-	3,886
Inventory	1,150	-	24	-	1,174
Due From Other Governments	1,165	-	-	-	1,165
Total Current Assets	18,485	11,123	623	9,982	40,213
Noncurrent Assets:					
Capital Assets:					
Land and Construction in Progress	3,504	-	144	1,823	5,471
Other, Net of Accumulated Depreciation	25,463	4,025	640	15,235	45,363
Total Noncurrent Assets	28,967	4,025	784	17,058	50,834
Total Assets	47,452	15,148	1,407	27,040	91,047
Deferred Outflows of Resources:					
Pension Related Deferred Outflows	3,267	1,708	100	-	5,075
OPEB Related Deferred Outflows	757	337	10	1,799	2,903
Total Assets and Deferred Outflows of Resources	$ 51,476	$ 17,193	$ 1,517	$ 28,839	$ 99,025
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
Current Liabilities:					
Accounts and Retainage Payable	$ 373	$ 2,812	$ 63	$ 539	$ 3,787
Due To Other Funds	20,536	-	1	3,167	23,704
Compensated Absences	639	377	28	2,529	3,573
Lease Payable	373	-	-	2	375
SBITA Liability	60	-	-	-	60
Obligations Under Securities Lending	-	14	3	-	17
Unearned Revenue	54	-	-	-	54
Bonds Payable	887	-	-	-	887
Accounts and Retainage Payable - Restricted	429	-	-	20	449
Total Current Liabilities	23,351	3,203	95	6,257	32,906
Noncurrent Liabilities:					
Advances from Other Funds	-	-	373	7,399	7,772
Compensated Absences	182	225	24	503	934
Lease Payable	2,510	-	-	-	2,510
SBITA Liability	133	-	-	-	133
Bonds Payable	3,755	-	-	-	3,755
Net Pension Liability	3,206	1,680	104	-	4,990
Net OPEB Liability	4,230	1,458	122	6,032	11,842
Total Noncurrent Liabilities	14,016	3,363	623	13,934	31,936
Total Liabilities	37,367	6,566	718	20,191	64,842
Deferred Inflows of Resources:					
Pension Related Deferred Inflows	261	128	8	-	397
OPEB Related Deferred Inflows	1,171	577	11	3,264	5,023
Net Position					
Net Investment in Capital Assets	21,249	4,025	784	17,056	43,114
Restricted for Renewal, Replacement and Improvements	-	-	-	389	389
Unrestricted:	(8,572)	5,897	(4)	(12,061)	(14,740)
Total Net Position	12,677	9,922	780	5,384	28,763
Total Liabilities, Deferred Inflows and Net Position	$ 51,476	$ 17,193	$ 1,517	$ 28,839	$ 99,025

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
Nonmajor Enterprise Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	StarMetro	Solid Waste	Golf	Fire Services	Total
OPERATING REVENUES					
Charges for Services:					
Residential Sales	$ -	$ 14,276	$ -	$ 28,651	$ 42,927
Commercial and Industrial Sales	-	20,303	-	20,254	40,557
County Government	-	-	-	3,583	3,583
Recreation Fees	-	-	1,533	-	1,533
Transportation Fees	5,910	-	-	-	5,910
Other Charges	65	6	-	2,273	2,344
Total Operating Revenues	5,975	34,585	1,533	54,761	96,854
OPERATING EXPENSES					
Personnel Services	14,741	6,448	780	34,566	56,535
Fossil Fuel	682	-	-	-	682
Contractual Services	8,328	25,173	279	14,490	48,270
Materials and Supplies	3,834	176	141	793	4,944
Other	3,140	210	108	494	3,952
Depreciation	3,409	460	72	1,174	5,115
Amortization	453	-	-	2	455
Total Operating Expenses	34,587	32,467	1,380	51,519	119,953
Operating Income (Loss)	(28,612)	2,118	153	3,242	(23,099)
NON-OPERATING REVENUES (EXPENSES)					
Net Investment Earnings	-	148	13	-	161
Change in Fair Value of Investments	-	27	3	-	30
Other Expenses	(1)	(160)	(8)	-	(169)
Intergovernmental Revenues	25,965	57	-	-	26,022
Other Revenues	1,981	-	-	268	2,249
Interest Expense	(182)	-	(5)	(241)	(428)
Total Non-Operating Revenues (Expenses)	27,763	72	3	27	27,865
Income (Loss) Before Capital Contributions and Operating Transfers	(849)	2,190	156	3,269	4,766
TRANSFERS AND CAPITAL CONTRIBUTIONS					
Capital Contributions	3,109	-	-	-	3,109
Transfers In	8,893	1,217	89	3,049	13,248
Transfers Out	(10)	(2,226)	-	(437)	(2,673)
Total Operating Transfers	11,992	(1,009)	89	2,612	13,684
Change in Net Position	11,143	1,181	245	5,881	18,450
Net Position - October 1	1,534	8,741	535	(497)	10,313
Net Position - September 30	$ 12,677	$ 9,922	$ 780	$ 5,384	$ 28,763

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
For the Fiscal Year Ended September 30, 2023
(in thousands)

	StarMetro	Solid Waste	Golf	Fire Services	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	$ (2,541)	$ 33,441	$ 1,533	$ 55,069	$ 87,502
Cash Paid to Suppliers for Goods and Services	(12,142)	(15,013)	(370)	(3,227)	(30,752)
Cash Paid to Employees for Services	(15,002)	(6,635)	(792)	(35,099)	(57,528)
Cash Paid to Other Funds	(3,837)	(10,725)	(135)	(12,563)	(27,260)
Cash Received (Paid) for Other Revenues (Expenses)	1,981	(160)	(9)	268	2,080
Net Cash Provided by (Used for) Operating Activities	(31,541)	908	227	4,448	(25,958)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers In from Other Funds	8,738	1,217	89	3,049	13,093
Transfers Out to Other Funds	(10)	(2,226)	-	(437)	(2,673)
Operating Grants Received	25,965	-	-	-	25,965
Cash Received From Interfund Balances	(2,452)	-	-	(1,676)	(4,128)
Cash Paid for Other Non Operating Expenses	-	(3,886)	-	-	(3,886)
Net Cash Provided by (Used for) Noncapital Financing Activities	32,241	(4,895)	89	936	28,371
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	3,264	-	-	-	3,264
Acquisition, Construction, and Sale of Capital Assets	(2,915)	(1,206)	(92)	(3,658)	(7,871)
Principal Refunding Payments	(867)	-	-	-	(867)
Repayment of Loans/Advances from Other Funds	-	57	(71)	(1,485)	(1,499)
Interest Paid	(182)	-	(5)	(241)	(428)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(700)	(1,149)	(168)	(5,384)	(7,401)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received on Investments	-	157	10	-	167
Increase/Decrease in the Fair Value of Cash and Cash Equivalents	-	27	3	-	30
Net Cash Provided by (Used for) Investing Activities	-	184	13	-	197
Net Increase (Decrease) in Cash and Cash Equivalents/Investments	-	(4,952)	161	-	(4,791)
Cash and Cash Equivalents - October 1	-	7,378	431	-	7,809
Cash and Cash Equivalents - September 30	$ -	$ 2,426	$ 592	$ -	$ 3,018
Classified As:					
Unrestricted Assets	$ -	$ 2,426	$ 592	$ -	$ 3,018
	$ -	$ 2,426	$ 592	$ -	$ 3,018
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Operating Income (Loss)	$ (28,612)	$ 2,118	$ 153	$ 3,242	$ (23,099)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:					
Depreciation	3,862	460	72	1,176	5,570
Provision for Uncollectible Accounts	48	32	-	83	163
Other	1,981	(160)	(9)	268	2,080
Pension/OPEB Adjustment for GASB 68/75	(344)	(169)	(5)	(619)	(1,137)
Increase (Decrease) in Accounts Receivable	(40)	(1,091)	-	(1,264)	(2,395)
Decrease in Inventory	195	-	-	-	195
Decrease in Due From Other Governments	(8,476)	(55)	-	1,572	(6,959)
(Decrease) in Accounts Payable	(238)	(209)	23	(96)	(520)
Increase (Decrease) in Compensated Absences	83	(18)	(7)	86	144
Total Adjustments	(2,929)	(1,210)	74	1,206	(2,859)
Net Cash Provided By (Used For) Operating Activities	$ (31,541)	$ 908	$ 227	$ 4,448	$ (25,958)

See Independent Auditors' Report

CITY OF TALLAHASSEE

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INTERNAL SERVICE FUNDS

800 MHz Communication	Supports the 800 MHz Radios Communications unit within the Information System Services. Revenues for the fund are derived from Leon County per agreement, and rentals from other users. The remaining cost is allocated to user departments. The allocation is based on the number of 800 MHz devices per department.
Technology and Innovation	Accounts for the costs of the City's data processing operations.
Human Resources	Accounts for the costs of the City's employee relations operations.
Internal Loan	Accounts for the loans received from the Sunshine State Governmental Financing Commission, which in turn are loaned to other funds to provide financing for capital projects.
Pension Administration	Accounts for the costs of the City's employee retirement plan's administrative operation.
Diversity and Inclusion	Accounts for th cost of the City's efforts to promote diversity and inclusion throughout the government.
Purchasing	Accounts for the costs of the City's procurement operations.
Accounting	Accounts for the costs of the City's accounting operations.
Garage	Accounts for the costs of maintaining and operating the City's fleet management operation.
Risk Management	Accounts for the costs of the City's risk management.
Revenue Collection	Accounts for the costs of the City's revenue collection services.
Utility Services	Accounts for the costs of centralizing safety and training, environmental, GIS, sales, rate design, and marketing functions of the City's utilities.
Environmental Services and Facilities Management (ESFM)	Accounts for the City's environmental policy development and initiatives and environmental regulatory compliance.
Wholesale Energy Services	Accounts for the costs of the purchase of power and fuel for the City's electric and gas utilities and off system sales and services of power and natural gas to other utilities and open market participants.
Community Relations	Accounts for the City's community relations function which serves to engage citizens through interactive educational outreach efforts focused on a variety of City services and programs ranging from utility services to transportation.

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF NET POSITION
Internal Service Funds
September 30, 2023
(in thousands)

	800 Mhz	Technology and Innovation	Human Resources	Internal Loan	Pension Administration	Diversity and Inclusion
ASSETS						
Current Assets:						
Cash and Cash Equivalents	$ 1,197	$ -	$ -	$ 2,165	$ 56	$ 125
Securities Lending Collateral	7	-	-	13	-	1
Receivables:						
Other Receivables	1	8	2	-	-	-
Accrued Interest	7	-	-	13	-	1
Due From Other Governments	371	14	-	11	-	-
Inventory	-	-	-	-	-	-
Prepaid Expenses	-	-	-	-	-	-
Due From Other Funds	-	-	-	-	-	-
Total Current Assets	1,583	22	2	2,202	56	127
Noncurrent Assets:						
Advances To Other Funds	-	-	-	1,358	-	-
Deposits	-	-	-	-	-	-
Derivative Instruments	-	-	-	-	-	-
Capital Assets:						
Land and Construction in Progress	440	2,087	-	-	-	-
Other, Net of Accumulated Depreciation	840	58,847	46	-	-	27
Total Noncurrent Assets	1,280	60,934	46	1,358	-	27
Total Assets	$ 2,863	$ 60,956	$ 48	$ 3,560	$ 56	$ 154
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES						
Current Liabilities:						
Obligations Under Securities Lending	$ 7	$ -	$ -	$ 13	$ -	$ 1
Accounts Payable	89	3,037	94	-	12	24
Due To Other Funds	-	35,734	40	-	-	-
Due To Other Governments	654	-	-	-	-	-
Bonds Payable	-	875	-	-	-	-
Lease Payable	-	1,559	4	-	-	-
SBITA Liability	-	2,758	-	-	-	10
Compensated Absences	29	498	232	-	33	78
Total Current Liabilities	779	44,461	370	13	45	113
Noncurrent Liabilities:						
Claims Payable	-	-	-	-	-	-
Bonds Payable	-	3,615	-	-	-	-
Lease Payable	-	874	4	-	-	-
SBITA Liability	-	1,851	-	-	-	10
Compensated Absences	-	595	21	-	-	32
Advances from Other Funds	-	86	57	-	11	-
Total Noncurrent Liabilities	-	7,021	82	-	11	42
Total Liabilities	779	51,482	452	13	56	155
Deferred Inflows of Resources						
Accumulated Increase in Fair Value of Hedging Derivatives	-	-	-	-	-	-
Total Liabilities and Deferred Inflows of Resources	779	51,482	452	13	56	155
Net Position						
Net Investment in Capital Assets	1,280	49,402	38	-	-	7
Unrestricted:	804	(39,928)	(442)	3,547	-	(8)
Total Net Position	2,084	9,474	(404)	3,547	-	(1)
Total Liabilities, Deferred Inflows of Resources, and Net Position	$ 2,863	$ 60,956	$ 48	$ 3,560	$ 56	$ 154

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF NET POSITION
Internal Service Funds
September 30, 2023
(in thousands)

Purchasing	Accounting	Garage	Risk Management	Revenue Collection	Utility Services	Environmental Services and Facilities Management	Wholesale Energy Services	Community Relations	Total
$ 170	$ 1,028	$ 18,561	$ 19,936	$ 157	$ 6,099	$ 2,651	$ 549	$ 70	$ 52,764
1	6	107	138	1	69	15	42	-	400
1	2	4	2	2	3	1	297	-	323
1	6	116	120	-	37	16	43	-	360
-	-	115	-	1	23	-	138	-	673
-	-	843	-	-	-	-	361	-	1,204
-	-	-	3,967	-	-	-	-	-	3,967
-	-	-	-	67	-	-	30,674	-	30,741
173	1,042	19,746	24,163	228	6,231	2,683	32,104	70	90,432
-	-	-	-	-	-	-	-	-	1,358
-	-	-	-	-	-	-	5,770	-	5,770
-	-	-	-	-	-	-	13,152	-	13,152
44	-	-	-	-	-	-	-	-	2,571
368	238	27,949	1	438	1,348	1,537	-	1	91,640
412	238	27,949	1	438	1,348	1,537	18,922	1	114,491
$ 585	$ 1,280	$ 47,695	$ 24,164	$ 666	$ 7,579	$ 4,220	$ 51,026	$ 71	$ 204,923
$ 1	$ 6	$ 107	$ 138	$ 1	$ 69	$ 15	$ 42	$ -	$ 400
30	224	216	39	23	277	265	8,363	32	12,725
-	-	-	-	-	-	-	30,000	-	65,774
-	-	-	-	-	-	-	-	-	654
-	-	-	-	-	-	-	-	-	875
-	-	-	-	-	30	-	-	-	1,593
31	242	-	-	-	-	-	-	-	3,041
109	284	396	129	97	873	205	38	67	3,068
171	756	719	306	121	1,249	485	38,443	99	88,130
-	-	-	19,097	-	-	-	-	-	19,097
-	-	-	-	-	-	-	-	-	3,615
-	-	-	-	-	32	-	-	-	910
32	-	-	-	-	-	-	-	-	1,893
36	167	171	64	79	445	68	1	1	1,680
29	57	-	17	29	-	29	-	6	321
97	224	171	19,178	108	477	97	1	7	27,516
268	980	890	19,484	229	1,726	582	38,444	106	115,646
-	-	-	-	-	-	-	13,152	-	13,152
268	980	890	19,484	229	1,726	582	51,596	106	128,798
349	(4)	27,949	1	438	1,286	1,537	-	1	82,284
(32)	304	18,856	4,679	(1)	4,567	2,101	(570)	(36)	(6,159)
317	300	46,805	4,680	437	5,853	3,638	(570)	(35)	76,125
$ 585	$ 1,280	$ 47,695	$ 24,164	$ 666	$ 7,579	$ 4,220	$ 51,026	$ 71	$ 204,923

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Internal Service Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	800 Mhz	Technology and Innovation	Human Resources	Internal Loan	Pension Administration	Diversity and Inclusion
OPERATING REVENUES						
Charges for Services	$ 1,373	$ 29,008	$ 5,005	$ 6	$ 1,101	$ 1,459
Total Operating Revenues	1,373	29,008	5,005	6	1,101	1,459
OPERATING EXPENSES						
Personnel Services	653	10,971	3,724	-	691	1,157
Contractual Services	1,636	15,367	1,322	-	363	158
Materials and Supplies	9	105	47	-	14	5
Other	12	493	150	-	13	73
Depreciation	453	4,461	7	-	-	-
Amortization	-	4,323	4	-	-	15
Total Operating Expenses	2,763	35,720	5,254	-	1,081	1,408
Operating Income (Loss)	(1,390)	(6,712)	(249)	6	20	51
NON-OPERATING REVENUES (EXPENSES)						
Net Investment Earnings	39	-	3	46	2	-
Change in Fair Value of Investments	23	-	2	-	1	-
Securities Lending:						
Agent Fees	-	-	-	-	-	-
Securities Lending Income	-	-	-	-	-	-
Interest Expense	-	-	-	-	-	-
Intergovernmental Revenues	744	-	-	-	-	-
Other Revenues	174	3,726	234	-	-	17
Interest Income	-	-	-	25	-	-
Interest Expense	-	(1,341)	(1)	-	-	(5)
Other Expenses	(55)	-	(3)	(1)	-	-
Total Non-Operating Revenues (Expenses)	925	2,385	235	70	3	12
Income (Loss) Before Capital Contributions and Transfers	(465)	(4,327)	(14)	76	23	63
TRANSFERS						
Transfers In	-	1,697	2	-	-	-
Transfers Out	(7)	(1)	-	-	-	(54)
Total Net Transfers	(7)	1,696	2	-	-	(54)
Change in Net Position	(472)	(2,631)	(12)	76	23	9
Net Position - October 1	2,556	12,105	(392)	3,471	(23)	(10)
Net Position - September 30	$ 2,084	$ 9,474	$ (404)	$ 3,547	$ -	$ (1)

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Internal Service Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

Purchasing	Accounting	Garage	Risk Management	Revenue Collection	Utility Services	Environmental Services and Facilities Management	Wholesale Energy Services	Community Relations	Total
$ 1,717	$ 5,975	$ 35,178	$ 13,019	$ 2,269	$ 21,840	$ 6,885	$ 137,387	$ 1,670	$ 263,892
1,717	5,975	35,178	13,019	2,269	21,840	6,885	137,387	1,670	263,892
1,785	4,141	6,393	1,756	1,476	15,146	3,043	480	1,289	52,705
303	1,175	3,190	423	560	5,493	2,032	151	325	32,498
6	22	12,402	6	120	558	282	137,706	49	151,331
2	89	197	11,069	25	388	82	14	9	12,616
22	-	7,234	1	28	71	90	-	1	12,368
41	475	-	-	-	47	-	-	-	4,905
2,159	5,902	29,416	13,255	2,209	21,703	5,529	138,351	1,673	266,423
(442)	73	5,762	(236)	60	137	1,356	(964)	(3)	(2,531)
5	17	352	461	11	85	42	966	4	2,033
3	10	-	213	6	55	2	507	2	824
-	-	-	-	-	(1)	-	-	-	(1)
-	-	7	7	-	20	-	-	-	34
-	-	(6)	(6)	-	(17)	-	-	-	(29)
-	-	-	-	-	-	70	-	-	814
453	118	1,150	409	3	-	12	-	-	6,296
-	-	-	-	-	-	-	-	-	25
(4)	(25)	-	-	(1)	(3)	(1)	-	-	(1,381)
-	-	(8,102)	-	-	-	(72)	-	-	(8,233)
457	120	(6,599)	1,084	19	139	53	1,473	6	382
15	193	(837)	848	79	276	1,409	509	3	(2,149)
-	-	109	-	-	272	-	-	-	2,080
-	-	(8,621)	-	(91)	(356)	(109)	-	(1)	(9,240)
-	-	(8,512)	-	(91)	(84)	(109)	-	(1)	(7,160)
15	193	(9,349)	848	(12)	192	1,300	509	2	(9,309)
302	107	56,154	3,832	449	5,661	2,338	(1,079)	(37)	85,434
$ 317	$ 300	$ 46,805	$ 4,680	$ 437	$ 5,853	$ 3,638	$ (570)	$ (35)	$ 76,125

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
Internal Service Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	800 Mhz	Technology and Innovation	Human Resources	Internal Loan	Pension Administration	Diversity and Inclusion
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash Received for Interfund Services	$ 1,209	$ 29,013	$ 5,007	$ 12	$ 1,101	$ 1,459
Cash Received From Other Revenues	174	3,725	234	-	-	17
Cash Paid to Suppliers for Goods and Services	(1,192)	(15,649)	(725)	(1)	(248)	(122)
Cash Paid to Employees for Services	(663)	(10,909)	(3,825)	-	(694)	(1,131)
Cash Paid to Other Funds	(411)	(650)	(801)	-	(134)	(111)
Cash Paid for Other Expenses	(55)	-	(3)	-	-	-
Net Cash Provided by (Used for) Operating Activities	(938)	5,530	(113)	11	25	112
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers from Other Funds	-	18,804	42	660	-	-
Cash Received From Other Non-operating Revenues	271	-	-	-	-	-
Cash Received (Paid) From Interfund Balances	-	-	-	-	-	-
Operating Grants Received	744	-	-	-	-	-
Transfers to Other Funds	(7)	-	-	-	-	(54)
Net Cash Provided by (Used for) Noncapital Financing Activities	1,008	18,804	42	660	-	(54)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Loan Proceeds	-	(1,545)	(28)	-	(6)	-
Acquisition, Construction and Sale of Capital Assets	(1)	(21,448)	(4)	(1)	(1)	(22)
Interest Paid	-	(1,341)	(1)	-	-	(5)
Net Cash Provided by (Used for) Capital and Related Financing Activities	(1)	(24,334)	(33)	(1)	(7)	(27)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest Received on Investments	35	-	3	63	2	(1)
Increase (Decrease) in the Fair Value of Cash & Cash Equivalents	23	-	2	-	1	-
Net Cash Provided by (Used for) Investing Activities	58	-	5	63	3	(1)
Net Increase (Decrease) in Cash and Cash Equivalents	127	-	(99)	733	21	30
Cash and Cash Equivalents - October 1	1,070	-	99	1,432	35	95
Cash and Cash Equivalents - September 30	$ 1,197	$ -	$ -	$ 2,165	$ 56	$ 125
Unrestricted Assets	$ 1,197	$ -	$ -	$ 2,165	$ 56	$ 125
Restricted Assets	-	-	-	-	-	-
	$ 1,197	$ -	$ -	$ 2,165	$ 56	$ 125
Operating Activities						
Operating Income (Loss)	$ (1,390)	$ (6,712)	$ (249)	$ 6	$ 20	$ 51
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:						
Depreciation/Amortization	453	8,784	11	-	-	15
Other	119	3,725	231	-	-	17
(Increase) Decrease in Accounts Receivable	80	(2)	2	-	-	-
(Increase) Decrease in Due From Other Governments	(244)	7	-	6	-	-
Increase (Decrease) in Due to Other Governments	-	-	-	-	-	-
(Increase) Decrease in Inventory	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	54	(334)	(7)	(1)	8	3
Increase (Decrease) in Accrued Leave	(10)	62	(101)	-	(3)	26
(Increase) Decrease in Insurance Deposits	-	-	-	-	-	-
Increase (Decrease) in Lease Payable	-	-	-	-	-	-
Total Adjustments	452	12,242	136	5	5	61
Net Cash Provided By (Used For) Operating Activities	$ (938)	$ 5,530	$ (113)	$ 11	$ 25	$ 112

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
Internal Service Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

Purchasing	Accounting	Garage	Risk Management	Revenue Collection	Utility Services	Environmental Services and Facilities Management	Wholesale Energy Services	Community Relations	Total
$ 1,717	$ 5,975	$ 35,562	$ 12,463	$ 2,271	$ 21,849	$ 6,885	$ 143,158	$ 1,670	$ 269,351
453	118	1,150	409	3	-	12	-	-	6,295
(60)	(814)	(13,176)	(11,931)	(510)	(3,038)	(1,646)	(171,560)	(244)	(220,916)
(1,781)	(4,165)	(6,364)	(1,731)	(1,455)	(15,053)	(3,008)	(489)	(1,302)	(52,570)
(250)	(351)	(2,733)	(182)	(259)	(3,519)	(661)	(64)	(141)	(10,267)
-	-	(8,102)	-	-	-	(72)	-	-	(8,232)
79	763	6,337	(972)	50	239	1,510	(28,955)	(17)	(16,339)
-	-	-	-	-	-	-	-	-	19,506
-	-	(131)	(75)	-	-	-	-	-	65
-	-	-	-	-	1	-	21,092	-	21,093
-	-	-	-	-	-	70	-	-	814
-	-	(9)	-	(91)	(356)	-	-	(1)	(518)
-	-	(140)	(75)	(91)	(355)	70	21,092	(1)	40,960
(14)	(28)	-	(9)	(14)	-	(14)	-	(3)	(1,661)
(30)	(471)	(587)	3	1	(192)	(337)	(1)	(2)	(23,093)
(4)	(25)	(6)	-	(1)	(3)	(1)	-	-	(1,387)
(48)	(524)	(593)	(6)	(14)	(195)	(352)	(1)	(5)	(26,141)
4	13	284	408	11	71	30	991	4	1,918
3	10	-	213	6	55	2	507	2	824
7	23	284	621	17	126	32	1,498	6	2,742
38	262	5,888	(432)	(38)	(185)	1,260	(6,366)	(17)	1,222
132	766	12,673	20,368	195	6,284	1,391	6,915	87	51,542
$ 170	$ 1,028	$ 18,561	$ 19,936	$ 157	$ 6,099	$ 2,651	$ 549	$ 70	$ 52,764
$ 170	$ 1,028	$ 18,561	$ 19,936	$ 157	$ 6,099	$ 2,651	$ 549	$ 70	$ 52,764
-	-	-	-	-	-	-	-	-	-
$ 170	$ 1,028	$ 18,561	$ 19,936	$ 157	$ 6,099	$ 2,651	$ 549	$ 70	$ 52,764
$ (442)	$ 73	$ 5,762	$ (236)	$ 60	$ 137	$ 1,356	$ (964)	$ (3)	$ (2,531)
63	475	7,234	1	28	118	90	-	1	17,273
453	118	(6,952)	409	3	-	(60)	-	-	(1,937)
-	-	423	(2)	2	-	-	5,838	-	6,341
-	-	-	-	-	12	-	-	-	(219)
-	-	(39)	-	-	-	-	45	-	6
-	-	(8)	-	-	-	-	623	-	615
1	121	(112)	4	(64)	(118)	89	(15,336)	(2)	(15,694)
4	(24)	29	25	21	93	35	(9)	(13)	135
-	-	-	(1,173)	-	-	-	(19,152)	-	(20,325)
-	-	-	-	-	(3)	-	-	-	(3)
521	690	575	(736)	(10)	102	154	(27,991)	(14)	(13,808)
$ 79	$ 763	$ 6,337	$ (972)	$ 50	$ 239	$ 1,510	$ (28,955)	$ (17)	$ (16,339)

CITY OF TALLAHASSEE

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PENSION AND OTHER EMPLOYEE BENEFIT TRUST FUNDS

Pension Trust	Accounts for the accumulation of resources to be used for retirement annuity payments to City employees for the Defined Contribution Plan. The Defined Contribution Plan covers all employees.
Matched Annuity Pension Plan	Accounts for the accumulation of resources to be used for retirement annuity payments to City employees for the Defined Contribution Plan. The Defined Contribution Plan covers all employees.
OPEB Trust	Accounts for the accumulation of resources to be used for benefit payments for retirees' health care costs.

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF NET POSITION
Pension and Other Employee Benefit Trust Funds
September 30, 2023
(in thousands)

	Pension Trust Fund	Matched Annuity Pension Plan	OPEB Trust Fund	Total
ASSETS				
Cash and Cash Equivalents	$ 18,666	$ 12	$ 656	$ 19,334
Receivables				
Other Receivables	-	19	-	19
Accrued Interest	5,601	-	5	5,606
Total Receivables	5,601	19	5	5,625
Investments, at Fair Value				
Mututal Index Funds	-	154,944	-	154,944
Private Equities	281,608	-	-	281,608
Fixed Income Securities	338,587	-	-	338,587
Domestic Equities	733,539	-	12,503	746,042
International Equities	175,835	-	-	175,835
Private Credit Funds	112,161	-	-	112,161
Alternative Investments	276,391	-	-	276,391
Timber	115,474	-	-	115,474
Total Investments	2,033,595	154,944	12,503	2,201,042
Securities Lending Collateral	69,635	-	72	69,707
Total Assets	$ 2,127,497	$ 154,975	$ 13,236	$ 2,295,708
LIABILITIES AND NET POSITION				
Liabilities				
Obligations Under Securities Lending	$ 69,635	$ -	$ 72	$ 69,707
Other Payables	-	-	4	4
Total Liabilities	69,635	-	76	69,711
Net Position				
Net Position Restricted for Pensions	2,057,862	154,975	13,160	2,225,997
Total Liabilities and Net Position	$ 2,127,497	$ 154,975	$ 13,236	$ 2,295,708

CITY OF TALLAHASSEE, FLORIDA
COMBINING STATEMENT OF CHANGES IN NET POSITION
Pension and Other Employee Benefit Trust Funds
For the Fiscal Year Ended September 30, 2023
(in thousands)

	Pension Trust Fund	Matched Annuity Pension Plan	OPEB Trust Fund	Total
ADDITIONS				
Contributions:				
Employer	$ 43,238	$ 1,044	$ 2,399	$ 46,681
Plan Members	13,365	-	-	13,365
Total Contributions	56,603	1,044	2,399	60,046
Investment Income (Loss)				
From Investment Activities:				
Gain/Loss on Sale of Investments	32,917	-	96	33,013
Change in Fair Value of Investments	53,762	16,441	1,292	71,495
Interest Income	22,575	4,996	308	27,879
Dividends	23,550	-	-	23,550
Total Investment (Loss)	132,804	21,437	1,696	155,937
Less Investment Expenses:				
Investment Management Fees	6,989	-	8	6,997
Interest Expense	35	-	-	35
Net Income (Loss) from Investing Activities	125,780	21,437	1,688	148,905
From Securities Lending Activities:				
Securities Lending Income	5,370	-	-	5,370
Less Securities Lending Expenses:				
Investment Management Fees	5,012	-	-	5,012
Net Income from Securities Lending Activities	358	-	-	358
Total Net Investment Income (Loss)	126,138	21,437	1,688	149,263
Total Additions	182,741	22,481	4,087	209,309
DEDUCTIONS				
Benefits	120,934	8,223	2,124	131,281
Refunds of Contributions	902	-	-	902
Administrative Expense	1,097	-	-	1,097
Total Deductions	122,933	8,223	2,124	133,280
Change in Net Position	59,808	14,258	1,963	76,029
Net Position - October 1	1,998,054	140,717	11,197	2,149,968
Net Position - September 30	$ 2,057,862	$ 154,975	$ 13,160	$ 2,225,997

CITY OF TALLAHASSEE

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SUPPLEMENTAL INFORMATION

The following schedules provide a summary of the debt service requirements for the City's outstanding bond issues:

Capital Improvement Refunding Revenue Bonds, Series 2009
Capital Bonds, Series 2018
Capital Bonds, Series 2021
Capital Bonds, Series 2022

Energy System Revenue Bonds, Series 2010B
Energy System Refunding Revenue Bonds, Series 2017
Energy System Revenue Bonds, Series 2018
Energy System Refunding Revenue Bonds, Series 2020
Energy System Refunding Revenue Bonds, Series 2023

Consolidated Utility System Revenue Bonds, Series 2010A
Consolidated Utility System Refunding Revenue Bonds, Series 2017
Consolidated Utility System Revenue Bonds, Series 2018
Consolidated Utility System Refunding Revenue Bonds, Series 2020
Consolidated Utility System Refunding Revenue Bonds, Series 2023
Transportation Improvement Bonds, Series 2019

CITY OF TALLAHASSEE, FLORIDA
CAPITAL IMPROVEMENT REFUNDING REVENUE BONDS, SERIES 2009
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 1,110	$ 240	$ 1,350
2025	1,150	198	1,348
2026	1,195	155	1,350
2027	1,240	109	1,349
2028	550	76	626
2029	570	55	625
2030	590	34	624
2031	615	11	626
Totals	$ 7,020	$ 878	$ 7,898

CITY OF TALLAHASSEE, FLORIDA
CAPITAL BONDS, SERIES 2018
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 1,065	$ 1,147	$ 2,212
2025	1,115	1,094	2,209
2026	1,175	1,038	2,213
2027	1,230	979	2,209
2028	1,290	918	2,208
2029	1,355	853	2,208
2030	1,425	785	2,210
2031	1,495	714	2,209
2032	1,570	640	2,210
2033	1,650	561	2,211
2034	1,730	479	2,209
2035	1,820	392	2,212
2036	1,910	301	2,211
2037	2,005	205	2,210
2038	2,105	105	2,210
Totals	$ 22,940	$ 10,211	$ 33,151

CITY OF TALLAHASSEE, FLORIDA
CAPITAL BONDS, SERIES 2021
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 875	$ 56	$ 931
2025	885	45	930
2026	900	34	934
2027	910	23	933
2028	920	11	931
Totals	$ 4,490	$ 169	$ 4,659

CITY OF TALLAHASSEE, FLORIDA
CAPITAL REFUNDING BONDS, SERIES 2022
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 5,980	$ 1,098	$ 7,078
2025	2,180	889	3,069
2026	2,255	814	3,069
2027	2,335	735	3,070
2028	2,415	654	3,069
2029	2,500	570	3,070
2030	2,590	483	3,073
2031	2,680	393	3,073
2032	2,770	299	3,069
2033	2,870	203	3,073
2034	2,965	103	3,068
Totals	$ 31,540	$ 6,241	$ 37,781

CITY OF TALLAHASSEE, FLORIDA
ENERGY SYSTEM REVENUE BONDS, SERIES 2010B
(FEDERALLY TAXABLE - BUILD AMERICA BONDS)
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ -	$ 7,299	$ 7,299
2025	-	7,299	7,299
2026	-	7,299	7,299
2027	-	7,299	7,299
2028	-	7,299	7,299
2029	930	7,299	8,229
2030	1,855	7,243	9,098
2031	1,930	7,133	9,063
2032	1,240	7,017	8,257
2033	1,280	6,943	8,223
2034	1,335	6,867	8,202
2035	1,385	6,787	8,172
2036	9,110	6,705	15,815
2037	9,465	6,161	15,626
2038	30,070	5,596	35,666
2039	31,235	3,801	35,036
2040	32,445	1,936	34,381
Totals	$ 122,280	$ 109,983	$ 232,263

CITY OF TALLAHASSEE, FLORIDA
ENERGY SYSTEM REFUNDING REVENUE BONDS, SERIES 2017
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 2,010	$ 6,289	$ 8,299
2025	4,900	6,188	11,088
2026	5,725	5,943	11,668
2027	6,000	5,657	11,657
2028	6,350	5,357	11,707
2029	12,500	5,040	17,540
2030	12,500	4,415	16,915
2031	12,500	3,790	16,290
2032	13,500	3,165	16,665
2033	14,500	2,490	16,990
2034	15,000	1,765	16,765
2035	7,520	1,015	8,535
2036	7,000	639	7,639
2037	5,775	289	6,064
Totals	$ 125,780	$ 52,042	$ 177,822

CITY OF TALLAHASSEE, FLORIDA
ENERGY SYSTEM REVENUE BONDS, SERIES 2018
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 1,415	$ 4,896	$ 6,311
2025	1,565	4,825	6,390
2026	1,715	4,746	6,461
2027	1,815	4,661	6,476
2028	1,920	4,570	6,490
2029	10,320	4,474	14,794
2030	11,520	3,958	15,478
2031	8,130	3,382	11,512
2032	4,375	2,975	7,350
2033	8,900	2,757	11,657
2034	4,200	2,312	6,512
2035	12,655	2,102	14,757
2036	5,600	1,469	7,069
2037	5,750	1,189	6,939
2038	1,015	901	1,916
2039	1,015	851	1,866
2040	1,100	800	1,900
2041	7,270	745	8,015
2042	7,630	382	8,012
Totals	$ 97,910	$ 51,995	$ 149,905

CITY OF TALLAHASSEE, FLORIDA
ENERGY SYSTEM REFUNDING REVENUE BONDS, SERIES 2020
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 12,100	$ 2,695	$ 14,795
2025	10,190	2,090	12,280
2026	10,050	1,580	11,630
2027	10,540	1,077	11,617
2028	11,010	550	11,560
Totals	$ 53,890	$ 7,992	$ 61,882

CITY OF TALLAHASSEE, FLORIDA
ENERGY SYSTEM REFUNDING REVENUE BONDS, SERIES 2023
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 6,225	$ 1,656	$ 7,881
2025	6,400	1,484	7,884
2026	6,570	1,307	7,877
2027	6,760	1,124	7,884
2028	6,940	937	7,877
2029	7,135	745	7,880
2030	7,330	547	7,877
2031	7,540	344	7,884
2032	4,890	135	5,025
Totals	$ 59,790	$ 8,279	$ 68,069

CITY OF TALLAHASSEE, FLORIDA
CONSOLIDATED UTILITY SYSTEM REVENUE BONDS, SERIES 2010A
(FEDERALLY TAXABLE - BUILD AMERICA BONDS)
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ -	$ 6,084	$ 6,084
2025	-	6,085	6,085
2026	-	6,085	6,085
2027	3,415	6,085	9,500
2028	3,530	5,911	9,441
2029	3,650	5,732	9,382
2030	3,765	5,547	9,312
2031	5,745	5,357	11,102
2032	5,945	5,057	11,002
2033	6,145	4,747	10,892
2034	6,355	4,426	10,781
2035	6,570	4,094	10,664
2036	6,795	3,752	10,547
2037	7,025	3,397	10,422
2038	18,715	3,030	21,745
2039	19,350	2,054	21,404
2040	20,010	1,044	21,054
Totals	$ 117,015	$ 78,487	$ 195,502

CITY OF TALLAHASSEE, FLORIDA
CONSOLIDATED UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2017
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 4,615	$ 4,520	$ 9,135
2025	4,845	4,290	9,135
2026	5,085	4,047	9,132
2027	5,340	3,793	9,133
2028	5,610	3,526	9,136
2029	5,885	3,246	9,131
2030	6,180	2,951	9,131
2031	6,495	2,642	9,137
2032	6,815	2,318	9,133
2033	7,155	1,977	9,132
2034	7,515	1,619	9,134
2035	7,890	1,243	9,133
2036	8,280	849	9,129
2037	8,695	435	9,130
Totals	$ 90,405	$ 37,456	$ 127,861

CITY OF TALLAHASSEE, FLORIDA
CONSOLIDATED UTILITY SYSTEM REVENUE BONDS, SERIES 2018
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 1,750	$ 1,890	$ 3,640
2025	1,840	1,803	3,643
2026	1,930	1,711	3,641
2027	2,030	1,614	3,644
2028	2,130	1,513	3,643
2029	2,235	1,406	3,641
2030	2,345	1,294	3,639
2031	2,465	1,177	3,642
2032	2,590	1,054	3,644
2033	2,715	924	3,639
2034	2,855	789	3,644
2035	2,995	646	3,641
2036	3,145	496	3,641
2037	3,305	339	3,644
2038	3,470	174	3,644
Totals	$ 37,800	$ 16,830	$ 54,630

CITY OF TALLAHASSEE, FLORIDA
CONSOLIDATED UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2020
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 2,550	$ 402	$ 2,952
2025	2,675	274	2,949
2026	2,810	141	2,951
Totals	$ 8,035	$ 817	$ 8,852

CITY OF TALLAHASSEE, FLORIDA
CONSOLIDATED UTILITY SYSTEM REFUNDING REVENUE BONDS, SERIES 2023
SEPTEMBER 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 2,955	$ 1,003	$ 3,958
2025	3,040	918	3,958
2026	3,130	830	3,960
2027	3,215	740	3,955
2028	3,370	647	4,017
2029	3,530	549	4,079
2030	3,700	447	4,147
2031	2,015	341	2,356
2032	2,175	282	2,457
2033	2,350	219	2,569
2034	2,530	151	2,681
2035	2,710	78	2,788
Totals	$ 34,720	$ 6,205	$ 40,925

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CITY OF TALLAHASSEE, FLORIDA
TRANSPORTATION IMPROVEMENT BOND, SERIES 2019
September 30, 2023
(in thousands)

Fiscal Year	Principal	Interest	Total
2024	$ 887	$ 106	$ 993
2025	907	86	993
2026	928	65	993
2027	949	44	993
2028	970	22	992
Totals	$ 4,641	$ 323	$ 4,964

STATISTICAL SECTION

This part of the City's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, notes disclosures, and required supplementary information says about the City's overall financial health.

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

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Sources: Unless otherwise noted, the information in these schedules is derived from the City's Annual Comprehensive Financial Reports for the relevant year.

CITY OF TALLAHASSEE, FLORIDA
NET POSITION BY COMPONENT
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental activities										
Net Investment in Capital Assets	$ 696,039	$ 652,995	$ 683,773	$ 718,180	$ 731,038	$ 729,969	$ 762,798	$ 729,307	$ 742,216	$ 756,332
Restricted	96,363	94,221	93,264	82,797	83,814	114,361	100,167	99,999	99,012	62,644
Unrestricted	(164,917)	(124,652)	(164,776)	(150,599)	(113,386)	(121,288)	(65,648)	(56,664)	(56,651)	(2,497)
Total governmental activities net position	$ 627,485	$ 622,564	$ 612,261	$ 650,378	$ 701,466	$ 723,042	$ 797,317	$ 772,642	$ 784,577	$ 816,479
Business activities										
Net Investment in Capital Assets	$ 884,406	$ 829,331	$ 866,359	$ 895,189	$ 899,679	$ 884,077	$ 863,179	$ 840,415	$ 809,395	$ 763,439
Restricted	288,277	263,086	233,085	195,053	231,785	219,942	202,210	194,185	201,116	198,491
Unrestricted	140,128	159,214	162,577	194,659	170,891	152,743	198,232	199,519	202,099	210,447
Total Business activities net position	$1,312,811	$1,251,631	$1,262,021	$1,284,901	$1,302,355	$1,256,762	$1,263,621	$1,234,119	$1,212,610	$1,172,377
Primary government										
Net Investment in Capital Assets	$1,580,445	$1,482,326	$1,550,132	$1,613,369	$1,630,717	$1,614,046	$1,625,977	$1,569,722	$1,551,611	$1,519,771
Restricted	384,640	357,307	326,349	277,850	315,599	334,303	302,377	294,184	300,128	261,135
Unrestricted	(24,789)	34,562	(2,199)	44,060	57,505	31,455	132,584	142,855	145,448	207,950
Total primary government net position	$1,940,296	$1,874,195	$1,874,282	$1,935,279	$2,003,821	$1,979,804	$2,060,938	$2,006,761	$1,997,187	$1,988,856

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
CHANGES IN NET POSITION
Last of Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Expenses										
Governmental Activities:										
General Government	$ 28,106	$ 21,134	$ 37,418	$ 43,265	$ 32,747	$ 21,049	$ 26,625	$ 15,295	$ 32,352	$ 16,581
Public Safety	75,137	64,359	92,546	95,816	70,088	55,737	77,197	68,901	61,703	75,241
Transportation	24,746	16,628	18,692	23,029	24,197	42,106	20,164	20,530	19,928	35,786
Human Services	15,126	13,436	10,398	9,073	4,893	4,971	4,652	3,565	3,097	2,516
Economic Development	19,538	2,630	15,709	10,933	6,587	6,956	7,238	8,996	7,337	5,616
Physical Environment	6,486	5,691	6,683	7,217	16,786	5,530	7,693	7,943	1,489	2,528
Culture and Recreation	24,958	23,637	21,187	22,188	26,536	24,331	27,620	26,396	22,289	23,414
Unallocated Depreciation on Infrastructure	35,525	35,031	34,173	33,277	32,395	31,810	28,297	29,228	27,477	26,633
RTU Amortization Expense	279	284	-	-	-	-	-	-	-	-
SBITA Amortization Expense	247	-	-	-	-	-	-	-	-	-
Interest on Long-Term Debt	3,472	3,563	3,542	3,890	4,635	3,610	3,572	4,058	4,966	2,805
Total governmental activities expenses	233,620	186,393	240,348	248,688	218,864	196,100	203,058	184,912	180,638	191,120
Business-type activities										
Electric	283,254	292,336	252,323	272,743	252,552	240,872	228,137	247,370	248,266	256,301
Gas	23,558	24,611	21,751	21,927	21,741	21,019	20,962	20,744	28,480	25,304
Sewer	78,491	74,193	77,383	83,571	52,753	76,701	51,629	53,274	46,804	51,258
Water	42,121	40,512	40,472	36,486	36,345	31,888	32,093	29,401	24,770	25,133
Airport	22,249	21,163	20,658	20,784	19,851	18,517	18,053	16,885	19,120	16,733
StarMetro	35,100	30,007	27,085	26,962	23,869	21,547	20,753	22,018	21,397	20,706
Solid Waste	32,288	28,876	29,798	27,654	26,441	24,551	21,285	20,874	20,700	25,346
Golf	1,394	1,279	1,057	926	968	1,271	864	927	973	1,012
Stormwater Management	20,842	20,186	20,965	14,886	19,618	16,893	15,440	14,944	14,837	14,585
Fire Services	52,308	50,547	48,090	48,437	45,836	43,698	42,475	40,797	36,787	41,237
Total business-type activities expenses	591,605	583,710	539,582	554,376	499,974	496,957	451,691	467,234	462,134	477,615
Total primary government expenses	$ 825,225	$ 770,103	$ 779,930	$ 803,064	$ 718,838	$ 693,057	$ 654,749	$ 652,146	$ 642,772	$ 668,735

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
CHANGES IN NET POSITION
Last of Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 2,470	$ 2,360	$ 2,259	$ 2,293	$ 2,310	$ 2,230	$ 2,991	$ 2,520	$ 2,192	$ 2,106
Public Safety	1,435	1,623	1,263	1,537	1,261	1,876	2,026	2,051	2,487	2,649
Transportation	3,515	4,082	3,181	3,388	2,961	2,572	2,550	2,698	2,540	2,484
Human Services	1,377	1,143	1,143	1,745	1,421	1,072	953	1,022	965	888
Economic Development	288	224	56	3	8	11	10	14	-	-
Physical Environment	2,251	2,642	2,286	1,072	1,323	1,133	1,174	1,004	1,187	1,057
Culture and Recreation	4,449	3,971	3,125	2,598	3,846	3,755	3,745	3,903	3,956	3,895
Operating Grants and Contributions	23,339	13,485	20,234	13,251	7,173	4,384	10,270	8,250	1,549	566
Capital Grants and Contributions	4,393	3,609	5,118	4,243	1,160	-	-	-	13	1
Total Governmental Activities Program Revenues	43,517	33,139	38,665	30,130	21,463	17,033	23,719	21,462	14,889	13,646
Business-type Activities:										
Charges for Services:										
Electric	314,398	322,217	275,631	271,250	284,736	281,375	269,704	268,262	286,271	280,317
Gas	32,058	32,228	27,034	27,035	26,984	29,122	25,889	26,963	34,564	33,225
Sewer	87,647	79,708	73,002	71,413	69,325	68,180	63,351	61,759	62,184	60,126
Water	49,142	44,303	40,725	41,481	38,226	35,293	34,342	33,290	30,787	29,631
Airport	16,406	15,164	11,396	11,012	14,466	13,176	13,241	14,090	12,840	13,328
StarMetro	7,524	6,075	4,261	4,048	4,757	5,786	5,007	5,548	4,705	4,954
Solid Waste	34,587	32,327	31,144	29,393	25,686	24,674	24,215	22,508	23,553	24,751
Golf	1,533	1,608	1,146	759	955	765	794	786	771	885
Stormwater Management	24,267	20,871	21,043	21,110	22,722	19,250	18,198	17,946	18,380	17,552
Fire Services	53,693	52,853	46,310	45,553	45,239	43,021	42,777	41,469	32,772	32,260
Operating Grants and Contributions	21,114	9,346	8,390	26,101	4,620	4,853	4,825	8,977	5,465	9,295
Capital Grants and Contributions	37,374	37,099	15,160	15,496	10,332	14,251	13,347	12,865	16,395	14,767
Total Business-type Activities Program Revenues	679,743	653,799	555,242	564,651	548,048	539,746	515,690	514,463	528,687	521,091
Total Primary Government Program Revenues	$ 723,260	$ 686,938	$ 593,907	$ 594,781	$ 569,511	$ 556,779	$ 539,409	$ 535,925	$ 543,576	$ 534,737
Net (Expenses) Revenues										
Governmental Activities	$ (190,103)	$ (153,254)	$ (201,683)	$ (218,558)	$ (197,401)	$ (179,067)	$ (179,339)	$ (163,450)	$ (165,749)	$ (177,474)
Business-Type Activities	88,138	70,089	15,660	10,275	48,074	42,789	63,999	47,229	66,553	43,476
Total Primary Government Net Expenses	$ (101,965)	$ (83,165)	$ (186,023)	$ (208,283)	$ (149,327)	$ (136,278)	$ (115,340)	$ (116,221)	$ (99,196)	$ (133,998)

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
CHANGES IN NET POSITION
Last of Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes, Levied for General Purposes	$ 57,918	$ 51,416	$ 50,169	$ 47,198	$ 44,152	$ 41,485	$ 39,430	$ 38,908	$ 32,947	$ 31,528
Public Service Tax	25,720	24,756	24,432	24,385	24,263	23,692	22,812	22,950	23,728	23,429
Permits and Fees	6,097	4,291	3,582	3,484	4,229	4,441	5,817	6,182	5,101	5,123
Grants and Contributions Not Restricted to Specific Programs	40,968	40,335	35,095	35,173	33,306	32,478	85,024	30,154	28,304	27,942
Unrestricted Investment Earnings	2,740	1,186	1,997	3,062	3,352	2,763	2,438	3,204	3,044	1,740
Net Securities Lending Income	5	6	3	3	2	2	2	5	-	5
Net Increase (Decrease) in Fair Value of Investments	325	(3,231)	(619)	450	1,248	(806)	(526)	178	14	131
Miscellaneous	14,040	3,943	7,834	3,844	7,781	8,828	14,251	14,475	7,634	13,052
Transfers	47,211	40,855	41,073	57,371	56,756	36,971	34,766	35,459	33,075	31,021
Total Governmental Activities	195,024	163,557	163,566	174,970	175,089	149,854	204,014	151,515	133,847	133,971
Business-Type Activities:										
Grants and Contributions, not restricted to specific programs	2,078	2,008	2,008	2,004	1,997	1,989	1,983	1,985	-	-
Unrestricted Investment Earnings	10,783	2,436	6,430	14,063	12,415	7,234	5,539	7,525	6,684	5,332
Net Securities Lending Income	58	19	12	14	10	7	5	11	-	38
Net Increase (Decrease) in Fair Value of Investments	4,367	(46,942)	(6,544)	5,856	16,446	(8,700)	(3,418)	739	52	202
Miscellaneous	2,967	2,855	627	205	1,856	23,655	(337)	1,094	19	2,058
Transfers	(47,211)	(40,855)	(41,073)	(57,371)	(56,756)	(36,971)	(34,766)	(35,459)	(33,075)	(31,021)
Total Business-type Activities	(26,958)	(80,479)	(38,540)	(35,229)	(24,032)	(12,786)	(30,994)	(24,105)	(26,320)	(23,391)
Total Primary Government	$ 168,066	$ 83,078	$ 125,026	$ 139,741	$ 151,057	$ 137,068	$ 173,020	$ 127,410	$ 107,527	$ 110,580
Change in Net Position										
Governmental Activities	$ 4,921	$ 10,303	$ (38,117)	$ (43,588)	$ (22,312)	$ (29,213)	$ 24,675	$ (11,935)	$ (31,902)	$ (43,503)
Business Activities	61,180	(10,390)	(22,880)	(24,954)	24,042	30,003	33,005	23,124	40,233	20,085
Total Primary Government	$ 66,101	$ (87)	$ (60,997)	$ (68,542)	$ 1,730	$ 790	$ 57,680	$ 11,189	$ 8,331	$ (23,418)

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
General Fund										
Nonspendable	$ 1,661	$ 1,553	$ 1,241	$ 1,154	$ 1,500	$ 1,186	$ 1,147	$ 1,513	$ 809	$ 819
Spendable:										
Committed	25,070	21,033	21,011	16,846	-	23,306	26,492	25,251	25,420	21,414
Assigned	1,150	251	2,012	2,578	-	3,076	5,192	2,479	2,479	2,545
Unassigned	2,271	1,972	2,565	2,481	1,541	804	2,952	6,544	1,041	2,472
Total General Fund	$ 30,152	$ 24,809	$ 26,829	$ 23,059	$ 3,041	$ 28,372	$ 35,783	$ 35,787	$ 29,749	$ 27,250
All Other Governmental Funds										
Unreserved, reported in:										
Non-Spendable	$ 11,960	$ 503	$ 205	$ -	$ 594	$ -	$ 620	$ 584	$ 580	$ 626
Spendable:										
Restricted	39,260	48,743	54,465	44,290	59,785	58,904	39,487	39,331	44,722	56,705
Committed	29,725	27,737	27,826	16,033	21,256	25,322	23,160	24,227	23,715	25,673
Assigned	-	-	-	-	-	1,990	57	161	-	-
Unassigned	(14,734)	(6,916)	(1,172)	(613)	-	283	1,060	(91)	(148)	(605)
Total all Other Governmental Funds	$ 66,211	$ 70,067	$ 81,324	$ 59,710	$ 81,635	$ 86,499	$ 64,384	$ 64,212	$ 68,869	$ 82,399

Note: In accordance with requirements of GASB Statement 54, which was effective for periods beginning after June 15, 2010, fund balances are classified based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

CITY OF TALLAHASSEE, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
REVENUES										
Taxes	$ 83,632	$ 76,170	$ 74,602	$ 71,582	$ 68,419	$ 65,174	$ 62,243	$ 61,858	$ 56,675	$ 54,962
Licenses and Permits	8,375	6,964	5,819	4,455	5,574	5,576	6,978	7,168	6,176	6,047
Intergovernmental Revenues	65,906	56,720	59,133	52,907	40,116	42,405	49,151	42,605	33,231	39,032
Charges for Services	14,209	12,640	10,745	9,620	10,044	9,151	8,830	9,385	9,043	8,789
Fines and Forfeitures	923	1,082	879	998	726	826	970	1,119	1,550	1,713
Net Investment Earnings	2,595	1,091	1,956	2,736	3,174	2,602	2,169	2,841	2,847	1,550
Securities Lending Income	35	15	3	6	8	4	6	11	-	10
Net Inc (Dec) in the Fair Value of Investments	299	(2,939)	(584)	422	1,163	(822)	(429)	145	12	126
Miscellaneous Revenues	14,166	11,360	10,881	16,881	13,770	13,209	14,889	16,070	15,631	12,765
Total Revenues	190,140	163,103	163,434	159,607	142,994	138,125	144,807	141,202	125,165	124,994
EXPENDITURES										
General Government	34,371	32,516	40,905	33,918	44,974	28,938	28,611	28,589	30,497	28,660
Public Safety	86,580	83,748	74,633	74,553	70,743	69,665	66,808	64,603	58,615	57,281
Transportation	33,842	34,047	27,996	43,221	35,952	38,194	31,212	32,026	33,231	34,270
Human Services	15,200	14,005	9,690	8,507	4,718	4,954	4,487	3,415	2,955	2,375
Economic Environment	16,735	8,155	15,641	10,903	7,296	8,837	7,178	8,093	7,636	8,621
Physical Environment	6,851	6,590	6,852	6,712	21,843	5,670	9,681	9,515	3,390	2,406
Cultural and Recreation	27,565	23,878	20,479	20,405	25,527	23,948	23,306	23,770	21,986	22,486
Securities Lending Expense:										
Interest	28	7	-	1	6	1	2	2	-	5
Agent Fees	2	-	-	-	-	-	-	1	-	1
Debt Service:										
Principal Retired	8,814	10,215	9,266	8,873	8,189	7,325	8,119	7,530	6,620	6,050
Interest and Fiscal Charges	2,926	4,309	4,339	4,624	5,315	3,948	4,226	4,502	5,324	3,105
Bond Issuance Costs	-	40	84	-	-	210	5	-	-	263
Total Expenditures	232,914	217,510	209,885	211,717	224,563	191,690	183,635	182,046	170,254	165,523
Excess of Revenues Over (Under) Expenditures	(42,774)	(54,407)	(46,451)	(52,110)	(81,569)	(53,565)	(38,828)	(40,844)	(45,089)	(40,529)
Other Financing Sources (Uses):										
Transfers In	64,756	65,909	71,147	86,390	73,682	62,845	60,433	59,942	55,167	52,970
Transfers Out	(23,238)	(24,777)	(29,959)	(28,874)	(27,674)	(26,383)	(24,283)	(24,823)	(21,426)	(20,283)
Sale of Capital Assets	2,743	-	3,641	187	4,630	838	2,846	5,370	317	579
Proceeds from Loans from Other Funds	-	-	11,260	-	-	-	-	1,736	-	-
Refunding Bond Issue	-	-	-	-	-	30,969	-	-	-	33,902
Total Other Financing Sources (Uses)	44,261	41,132	56,089	57,703	50,638	68,269	38,996	42,225	34,058	67,168
Net Change in Fund Balances	$ 1,487	$ (13,275)	$ 9,638	$ 5,593	$ (30,931)	$ 14,704	$ 168	$ 1,381	$ (11,031)	$ 26,639
Debt Services as a Percentage of Noncapital Expenditures	6.68 %	6.99 %	6.78 %	6.73 %	5.62 %	6.60 %	10.05 %	7.22 %	7.12 %	6.59 %

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Last Ten Fiscal Years
(in thousands)

Fiscal Year	Real Property	Personal Property	Centrally Assessed Property	Less: Tax-Exempt Property	Total Taxable Assessed Value[1]	Total Direct Tax Rate	Estimated Actual Taxable Value[2]	Taxable Assessed Value as a Percentage of Actual Taxable Value[3]
2014	$ 14,499,790	$ 1,654,905	$ 5,923	$ 7,342,511	$ 8,818,107	3.70 %	$ 19,012,492	46.38 %
2015	15,242,081	1,696,448	6,113	7,718,416	9,226,226	3.70	19,934,875	46.28
2016	15,744,126	1,701,380	6,175	7,857,175	9,594,506	4.20	20,531,389	46.73
2017	16,904,533	1,637,177	6,532	8,074,382	10,473,860	4.10	21,821,461	48.00
2018	16,898,065	1,635,772	6,447	8,077,231	10,463,053	4.10	21,812,098	47.97
2019	18,947,903	1,732,595	6,539	8,741,897	11,945,140	4.10	24,337,690	49.08
2020	20,053,175	1,731,585	2,647	9,059,939	12,727,468	4.10	21,787,407	58.42
2021	20,954,844	1,748,069	2,706	9,442,398	13,263,221	4.10	26,712,493	49.65
2022	23,273,656	1,773,526	2,086	10,562,193	14,487,075	4.10	29,470,575	49.16
2023	25,971,668	1,857,123	2,847	12,134,580	15,697,058	4.10	23,656,892	66.35

Source: Leon County Property Appraiser

Note: Assessed values are determined as of January 1 for each fiscal year.

[1] *Total assessed values less exemptions*

[2] *Estimated actual value is based on the assumption that the assessed values is 85% of the actual value.*

[3] *Calculated Figure*

CITY OF TALLAHASSEE, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Rate per 1,000 of assessed value)

	Direct	Overlapping				
	City of Tallahassee	Leon County School Board		Leon County	N.W . Fla Water Management	
Fiscal Year	Operating	Operating	Debt Service	Operating	Operating	Total
2014	3.70	7.35	-	8.31	0.04	19.40
2015	3.70	7.38	-	8.31	0.04	19.43
2016	4.20	7.20	-	8.81	0.04	20.25
2017	4.10	6.85	-	8.31	0.04	19.30
2018	4.10	6.34	-	8.31	0.04	18.79
2019	4.10	6.17	-	8.31	0.04	18.62
2020	4.10	6.17	-	8.31	0.04	18.62
2021	4.10	6.25	-	8.31	0.03	18.69
2022	4.10	5.84	-	8.31	0.03	18.28
2023	4.45	5.81	-	8.31	0.02	18.59

Source: Leon County Tax Collector

CITY OF TALLAHASSEE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
(in thousands)

		2023			2014		
Tax payer	Type of Business	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Smith Interest General Partnership	Retail	$ 173,517	1	1.11 %	$ 114,254	2	1.30 %
Capital Regional Medical Center	Medical	115,953	2	0.74	-		-
510 West Virginia Street	Real Estate	82,136	3	0.52	-		-
District Joint Venture, LLC	Real Estate	76,443	4	0.49	-		-
Florida Power & Light	Utilities	76,831	5	0.49	-		-
Talquin Electric Cooperative	Utilities	89,405	6	0.57	64,928	5	0.74
Presbyterian Retirement Communities	Non-Profit	105,149	7	0.67	-		-
Tallahassee-Westcott, LLC	Real Estate	56,280	8	0.36	-		-
Comcast Cablevision, Inc.	Communications	58,970	9	0.38	37,692	9	0.43
Grove Park Apartments, LLC	Real Estate	55,942	10	0.36	-		-
Tallahassee Medical Center, LLC	Medical	-		-	68,643	4	0.78
DRA CRT Tallahassee Centre	Retail	-		-	59,539	6	0.68
St. Joe Company	Real Estate	-		-	45,236	8	0.51
Century Link (Embarq, Sprint)	Communications			-	123,878	1	1.40
Capital City Bank	Financial Services	-		-	35,457	10	0.40
Florida Gas Transmission Company	Utilities	-		-	77,460	3	0.88
Walmart	Retail	-		-	50,006	7	0.57
Total		$ 890,626		5.69 %	$ 677,093		7.69 %

Source: Leon County Tax Collector

CITY OF TALLAHASSEE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ended September 30,	Total Tax Levy Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014	$ 32,673	$ 31,471	96.3 %	$ 53	$ 31,524	96.5 %
2015	34,392	32,891	95.6	47	32,938	95.8
2016	40,352	38,837	96.2	-	38,837	96.2
2017	40,857	39,628	97.0	71	39,699	97.2
2018	42,942	41,410	96.4	72	41,482	96.6
2019	45,712	44,123	96.5	29	44,152	96.6
2020	48,975	47,197	96.4	13	47,210	96.4
2021	52,075	50,042	96.1	27	50,069	96.1
2022	54,379	52,254	96.1	29	52,283	96.1
2023	59,297	57,039	96.2	32	57,071	96.2

Source: Leon County Property Appraiser

Note: Assessed values are determined as of January 1 for each fiscal year.

(1) *Total assessed values less exemptions*

(2) *Estimated actual value is based on the assumption that the assessed values is 85% of the actual value.*

(3) *Calculated Figure*

CITY OF TALLAHASSEE, FLORIDA
ASSESSED VALUATIONS, MILLAGE AND TAXES
LEVIED AND COLLECTED
Last Ten Fiscal Years
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Total Valuations	$27,831,638	$25,049,989	$22,705,619	$21,787,407	$20,687,037	$18,540,284	$18,548,241	$17,451,681	$16,944,644	$16,160,618
Exemptions										
Agricultural Adjustment	84,842	83,771	79,918	64,748	44,422	46,859	46,859	49,272	42,463	37,998
Government Exemption	6,097,813	5,765,135	5,557,954	5,498,771	5,291,477	5,042,044	5,040,624	4,963,425	4,839,361	4,641,924
Institutional Exemption	1,044,324	1,000,453	848,798	776,875	740,842	629,419	631,059	616,233	667,825	658,118
Individual/Homestead Exemptions	1,508,662	1,459,440	1,455,966	1,421,990	1,394,483	1,347,750	1,347,729	1,322,310	1,319,847	1,329,354
Other Exemptions & Adjustments	3,398,939	2,253,395	1,499,762	1,297,554	1,270,673	1,011,159	1,008,110	905,934	848,920	675,118
Total Exemption and Adjustments	12,134,580	10,562,194	9,442,398	9,059,938	8,741,897	8,077,231	8,074,381	7,857,174	7,718,416	7,342,512
Taxable Valuation	15,697,058	14,487,795	13,263,221	12,727,469	11,945,140	10,463,053	10,473,860	9,594,507	9,226,228	8,818,106
Millage Levied	4.100	4.100	4.100	4.100	4.100	4.100	4.100	4.200	3.700	3.700
Total Taxes Levied	69,916	59,361	52,138	49,015	48,975	42,914	40,857	40,352	34,392	32,673
Less: Adjustments & Discount	684	615	1,882	1,753	1,644	1,545	1,457	1,433	1,214	1,145
Net Taxes Levied	$ 69,232	$ 58,746	$ 50,256	$ 47,262	$ 47,331	$ 41,369	$ 39,400	$ 38,919	$ 33,178	$ 31,528
Net Collected[1][2]	$ 57,071	$ 52,254	$ 50,042	$ 47,197	$ 44,123	$ 41,410	$ 39,431	$ 38,908	$ 32,891	$ 31,511

Source: Leon County Property Appraiser

(1) *Florida Statutes provide for a discount of up to four percent for early payment of ad valorem taxes. All unpaid taxes become delinquent on April 1 and are sold at auction on June 1 of each year as tax certificates. The City, after all tax certificates are sold, has fully collected all ad valorem tax revenues.*

(2) *Net collected includes penalties or late payments.*

CITY OF TALLAHASSEE, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
Last Ten Fiscal Years
(in thousands)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Governmental Activities:										
General Revenue Bonds	$ 65,990	$ 75,205	$ 78,585	$ 87,595	$ 96,215	$ 104,155	$ 83,915	$ 91,825	$ 99,355	$ 105,975
Unamortized Premiums/Discounts	3,127	8,786	10,230	11,610	12,928	14,143	11,317	12,343	13,107	13,753
Bank of America Loan Payable	-	264	525	780	1,033	1,282	1,527	1,736	-	-
Public Improvement Revenue Note	7,310	7,310	7,310	-	-	-	-	-	-	-
Redevelopment Revenue Note	2,860	3,410	3,950	-	-	-	-	-	-	-
Lease Payables	3,689	4,971	-	-	-	-	-	-	-	-
Subscription Liability	5,284	-	-	-	-	-	-	-	-	-
Total Governmental Activities	88,260	99,946	100,600	99,985	110,176	119,580	96,759	105,904	112,462	119,728
Business-Type Activities:										
Energy System	459,650	479,945	498,025	515,690	564,335	582,427	494,988	539,447	557,345	581,028
Consolidated Utility System	287,975	299,060	308,585	318,295	330,350	339,185	330,495	338,180	345,455	323,440
Transportation Improvement Bond	4,641	5,508	6,356	7,185	7,995	-	-	-	-	-
Unamortized Premiums/Discounts	67,908	73,386	92,059	96,783	86,236	89,164	52,974	29,857	31,187	14,877
AMI Loan Payable	3,233	6,345	9,335	12,211	14,977	17,639	20,634	23,514	26,282	28,941
Bank of America Loan Payable	-	128	254	378	500	621	739	840	-	-
Republic Parking Loan	-	-	-	-	331	367	401	-	-	-
Lease Payables	2,953	-	-	-	-	-	-	-	-	-
Subscription Liability	530	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	826,890	864,372	914,614	950,542	1,004,724	1,029,403	900,231	931,838	960,269	948,286
Total Primary Government	$ 915,150	$ 964,318	$1,015,214	$1,050,527	$1,114,900	$1,148,983	$ 996,990	$1,037,742	$1,072,731	$1,068,014
Per Capita	$ 4,531	$ 4,815	$ 5,118	$ 5,289	$ 5,697	$ 5,258	$ 5,249	$ 5,471	$ 5,595	$ 5,604

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
For the Fiscal Year Ended September 30, 2023
Last Ten Fiscal Years
(in thousands)

Fiscal Year ended Sept. 30	General Revenue Bonds	Percentage of Actual Taxable Value of Property[1]	Per Capita[2]
2014	$ 105,975	0.56 %	$ 577
2015	99,355	0.50	528
2016	91,825	0.45	484
2017	83,915	0.38	443
2018	104,155	0.54	615
2019	96,215	0.45	558
2020	87,595	0.46	499
2021	78,585	0.29	396
2022	75,205	0.26	375
2023	65,990	0.28	327

Source: City of Tallahassee, Accounting Services

(1) See Assessed Value and Estimated Actual Trend Value of Taxable Property Schedule for Property Value Data.

(2) See Demographic and Economic Statistics for Population Data.

CITY OF TALLAHASSEE, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2023
(in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Leon County School Board[2]	$ 108,397	68	$ 73,710
Debt repaid with non self-supporting revenue debt:			
Leon County[3]	14,653	68	9,964
Subtotal, Overlapping Debt			83,674
City Direct Debt	79,287	100	79,287
Total Direct and Overlapping Debt			$ 162,961

[1] The applicable percentage is based on the geographical boundaries within Leon County

[2] Leon County School Board

[3] Leon County

CITY OF TALLAHASSEE, FLORIDA
LEGAL DEBT MARGIN
September 30, 2023
(in thousands)

The City has no legal debt margin requirements set forth by either State Statute or City Ordinance.

CITY OF TALLAHASSEE, FLORIDA
REVENUE BOND COVERAGE
ENERGY SYSTEM REVENUE BONDS
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ending	Gross Revenue[1]	Operating Expenses[2]	Net Revenue Available for Debt Service	Debt Service Requirements[3]			Coverage
				Principal	Interest	Total	
2014	$ 310,314	$ 211,408	$ 98,906	$ 13,482	$ 30,048	$ 43,530	2.27
2015	314,807	217,485	97,322	11,058	26,703	37,761	2.58
2016	298,689	202,714	95,975	17,898	28,794	46,692	2.06
2017	326,028	170,978	155,050	191,754	25,734	217,488	0.71
2018	314,604	198,297	116,307	17,536	29,854	47,390	2.45
2019	318,751	202,032	116,719	18,092	29,795	47,887	2.44
2020	304,599	203,585	101,014	128,840	29,486	158,326	0.64
2021	301,294	192,562	108,732	17,665	27,582	45,247	2.40
2022	354,134	231,229	122,905	19,925	25,153	45,078	2.73
2023	345,877	233,537	112,340	20,295	24,289	44,584	2.52

(1) *Total operating revenues plus operating interest earned.*

(2) *Total operating expenses exclusive of depreciation.*

(3) *Includes principal and interest of revenue bonds only.*

CITY OF TALLAHASSEE, FLORIDA
REVENUE BOND COVERAGE
CONSOLIDATED UTILITY SYSTEM REVENUE BONDS
Last Ten Fiscal Years
(in thousands)

Fiscal Year Ending	Gross Revenues[1]	Operating Expenses[2]	Net Revenue Available for Debt Service	Debt Service Requirements[3]			
				Principal	Interest	Total	Coverage
2014	$ 99,063	$ 51,802	$ 47,261	$ 6,530	$ 16,417	$ 22,947	2.06
2015	101,087	52,429	48,658	6,695	15,747	22,442	2.17
2016	103,063	54,501	48,562	7,275	17,251	24,526	1.98
2017	106,599	59,553	47,046	7,685	16,878	24,563	1.92
2018	112,656	59,843	52,813	151,755	15,008	166,763	0.32
2019	120,573	59,337	61,236	8,835	17,103	25,938	2.36
2020	125,598	66,943	58,655	26,930	16,915	43,845	1.34
2021	127,617	71,207	56,410	9,710	16,211	25,921	2.18
2022	136,955	70,634	66,321	10,390	15,010	25,400	2.61
2023	147,980	99,132	48,848	11,085	14,688	25,773	1.90

(1) *Total operating revenues of the Sewer, Water, and Stormwater Utilities Funds plus operating interest earned.*

(2) *Total operating expenses of water and sewer funds exclusive of depreciation.*

(3) *Includes principal and interest of revenue bonds only.*

CITY OF TALLAHASSEE, FLORIDA
DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

Year	Estimated[1] Population	Airline Passengers	Electric KWH Sold (000's)	Water Consumed (Gals) (Millions)	Gas Used (Cu. Ft.) (Millions)	Housing Units	Leon County School (2) Enrollment
2014	183,784	708,433	2,763,936	8,801	2,931	86,242	34,955
2015	187,996	690,533	2,677,292	8,540	2,930	86,735	34,797
2016	189,675	699,035	2,623,259	8,705	2,719	89,252	33,300
2017	189,625	717,559	2,693,286	9,145	2,705	89,798	33,993
2018	192,381	796,214	2,798,286	8,578	2,916	91,703	34,012
2019	195,713	851,689	2,857,242	8,643	2,953	92,349	34,085
2020	198,627	513,719	2,787,057	10,070	2,767	93,295	34,000
2021	198,371	539,609	2,784,362	9,534	3,006	96,521	32,000
2022	200,289	607,645	2,891,167	8,724	2,912	94,161	33,952
2023	201,997	837,337	3,041,692	9,629	2,803	91,766	32,562

Year	City Personal Income (3) (Thousands)	Per Capita Personal Income (3)	Number of Labor Force (4)	Number of Employed (4)	Numbered of Unemployed (4)	Unemployment Rate (Percent) (4)
2014	$ 13,731,806	$ 36,764	101,034	95,302	5,732	5.9
2015	14,205,240	37,848	99,331	94,321	5,010	5.0
2016	14,725,366	39,168	99,879	94,852	5,027	5.0
2017	15,433,218	40,621	101,300	95,674	5,626	4.0
2018	16,210,788	42,590	101,793	98,162	3,631	3.6
2019	17,078,135	44,586	102,904	99,510	3,394	3.3
2020	18,307,705	47,474	90,583	86,053	4,530	4.7
2021	20,211,955	52,041	99,280	95,606	3,673	3.8
2022	20,471,919	52,359	104,912	101,738	3,174	3.0
2023	N/A	N/A	202,142	195,773	6,369	3.2

Source: City records, except as noted.

[1]U.S. Census 2000; all other numbers are estimated by the Bureau of Economic and Business Research, University of Florida

[2]Leon County School Board

[3]Bureau of Economic Analysis, U.S. Department of Commerce.

[4]Florida Department of Economic Opportunity

N/A *- Not Available*

CITY OF TALLAHASSEE, FLORIDA
PRINCIPAL EMPLOYERS
Current and Nine Years Ago

		2023[1]			2014[2]		
Employer	Type of Business	Number of Employees	Rank	% age of Total	Number of Employees	Rank	% age of Total
State of Florida	Government	18,352	1	30.6	19,442	1	35.83
Florida State University	Education	16,610	2	27.7	14,378	2	26.78
Tallahassee Memorial Hospital	Healthcare	5,993	3	10.0	4,583	4	8.32
Leon County School Board	Education	4,300	4	7.2	5,383	3	8.34
City of Tallahassee	Government	2,951	5	4.9	2,811	5	5.19
Walmart Stores, Inc.	Retail	2,701	6	4.5	-		-
Publix Super Markets	Retail	2,487	7	4.2	2,200	6	3.68
Florida A&M University	Education	2,173	8	3.6	1,767	8	3.29
Leon County	Government	1,807	9	3.0	1,712	9	3.19
Tallahassee Community College[3]	Education	1,424	10	2.4	1,518	7	3.45
Capital Regional Medical Center	Healthcare	1,100	11	1.8	1,051	10	1.93
Total		59,898		100.0	54,845		100.00

Note: In previous years, data was presented for Leon County rather than City of Tallahassee.

[1] *Data from employers or Website*

[2] *Data from Leon County CAFR 2008.*

[3] *Formerly known as the "Tallahassee Community Hospital".*

CITY OF TALLAHASSEE, FLORIDA
FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last Ten Fiscal Years

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
City Commission & Appointed Officials	123	123	123	114	110	111	124	134	134	133
Administration & Professional Services	76	75	72	72	70	67	62	184	183	181
Aviation	54	54	54	54	54	55	55	55	53	53
Communications	9	9	9	9	9	9	8	14	14	13
Customer Services	157	162	130	126	130	17	17	1	1	1
Human Resources & Workforce Development	30	30	28	35	35	35	35	-	-	-
Technology and Innovations	101	101	98	96	99	99	100	-	-	-
Real Estate Management	7	7	7	8	8	7	11	-	-	-
Housing and Community Services	42	32	17	17	16	18	20	36	36	37
Economic Vitality/Minority & Women Business Enterprise	-	-	-	-	8	-	-	-	-	-
Energy Services - Electric & Gas	330	330	330	330	325	328	336	303	302	298
Emergency Preparedness & Facilities Security	1	1	1	3	4	4	5	1	1	1
Energy Services	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30
Environmental Services & Facilities Management	26	26	23	23	22	22	12	14	14	14
Ethics	2	2	2	2	2	2	N/A	1	N/A	N/A
Fire	301	301	301	300	299	299	297	296	280	280
Fleet	83	84	82	81	82	82	82	80	61	59
TEMPO	-	10	9	3	-	-	-	-	-	-
Growth Management	72	72	71	71	77	77	80	63	63	63
Community Relations	11	11	9	9	10	-	-	-	-	-
Parks & Recreation & Neighborhood Affairs	220	208	177	180	178	177	173	173	171	171
Planning/PLACE	23	23	24	25	25	25	27	26	26	26
Police	485	485	482	483	483	483	466	466	433	427
Public Works	N/A	N/A	N/A	N/A	N/A	-	-	286	285	286
Community Beautification & Waste Management	152	152	147	146	151	151	148	83	84	87
Sustainability & Community Prepardeness	-	-	15	15	-	-	-	-	-	-
StarMetro	145	146	140	140	139	140	141	148	170	170
Utility Services	-	-	-	-	-	129	135	148	145	120
Underground Utilities & Public Infrastructure	506	507	505	513	516	514	531	362	361	361
Total	2,956	2,951	2,856	2,855	2,852	2,851	2,865	2,874	2,817	2,811

Source: City of Tallahassee Budget

Note: The City was reorganized in FY 2009, combining some departments and creating new departments. Deleted departments are shown with "0" FTE employees.

"N / A" = not applicable

CITY OF TALLAHASSEE, FLORIDA
OPERATING INDICATORS BY FUNCTION / PROGRAM
Last Ten Fiscal Years

Function/Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Arrests	5,989	4,243	3,459	3,145	5,828	6,267	7,044	5,998	5,933	6,053
Traffic violations	12,696	11,654	5,352	5,663	10,990	9,710	15,459	14,716	13,652	13,039
Parking violations	18,192	18,722	13,924	11,144	10,470	13,804	14,891	18,886	15,948	17,872
Fire										
Emergency responses	34,394	33,739	30,957	27,687	19,789	28,015	27,379	27,849	24,704	22,075
Fires reported	1,092	1,088	906	926	1,041	1,033	989	1,225	1,047	1,153
Gas										
Daily average consumption (MCF)	7,679	7,978	8,236	7,582	8,090	7,988	7,411	7,450	8,027	8,030
Number of service connections	28,719	34,890	34,342	33,378	32,528	31,471	30,638	30,355	29,659	29,275
Water										
Daily average consumption (MGD)	26	24	26	28	27	25	26	26	26	26
Number of service connections	81,413	88,183	87,891	87,007	86,299	86,528	84,783	75,334	83,554	83,384
Electric										
Net System Energy Generated (K W H) (Millions)	3,042	2,891	2,784	2,787	2,857	2,798	2,693	2,630	2,773	2,763
Average number residential customers	101,963	107,327	92,342	91,805	91,125	89,798	89,070	99,793	88,112	87,674
Average residential monthly bill	124	127	119	117	117	119	108	113	123	121
Sewage										
Daily average treatment (MDG)	17	17	16	16	19	16	17	17	16	16
Number of service connections	71,869	75,927	75,741	74,892	74,146	74,322	72,614	72,070	71,556	71,440
Transit										
Total revenue miles	1,889,745	1,919,608	1,870,628	1,932,618	2,267,715	2,141,697	2,133,772	2,254,316	2,246,364	2,591,582
Passengers trips	2,449,136	2,269,186	1,095,127	2,014,966	3,448,266	3,289,053	3,302,667	3,759,543	4,260,333	4,241,111
Solid Waste										
Number of customers	67,581	64,291	65,017	57,389	64,117	61,547	52,528	63,455	63,455	63,284
Refuse collected (in tons)	149,624	152,341	156,743	151,366	153,907	149,560	149,560	139,778	144,488	119,659
Recyclables collected (in tons)	10,668	11,478	12,577	12,337	12,491	13,297	13,297	24,474	24,474	33,752
Airport										
Number of passengers	835,567	822,709	539,609	513,719	851,689	796,214	717,559	699,035	690,533	708,433

Source: Various city departments

N / A - Not Available

CITY OF TALLAHASSEE, FLORIDA
CAPITAL ASSETS STATISTICS BY FUNCTION / PROGRAM
Last Ten Fiscal Years

Function / Program	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicular units										
Marked vehicles	305	299	306	356	326	309	300	306	289	284
Motorcycles	9	9	9	9	9	9	9	9	9	9
Unmarked vehicles	157	161	164	167	144	150	152	153	137	143
Bicycle patrol units	29	27	25	25	25	25	16	16	16	15
Fire stations	16	16	16	16	16	16	16	16	16	15
Gas										
Gas lines (in miles)	975	975	963	950	930	923	910	905	885	881
Plant Capacity (MCF)	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000	24,000
Water										
Water mains (in miles)	1,246	1,211	1,211	1,211	1,211	1,211	1,202	1,201	1,212	1,206
Deep Wells	27	22	27	27	27	27	27	27	27	27
Plant Capacity (MGD)	79	79	79	79	76	76	76	76	74	76
Electric										
Generating plants	4	4	4	3	3	3	3	3	3	3
Generating capacity (MW)	799	799	799	702	702	711	711	746	746	746
Transmission lines (in miles)	219	219	219	219	219	214	214	214	204	204
Number of street lights	20,135	20,073	19,660	19,302	19,302	18,825	18,825	18,710	18,589	18,188
Distribution lines (in miles)	2,049	2,044	2,044	2,023	2,023	1,995	1,995	1,942	2,937	2,937
Sewage										
Number of lift stations	112	112	110	110	110	110	107	107	109	111
Sanitary sewers (in miles)	1,083	1,077	1,064	1,064	1,059	1,050	1,039	1,039	1,049	1,046
Number of disposal plants	1	1	1	1	1	1	1	1	1	1
Capacity of treatment plans (MGD)	27	27	27	27	27	27	27	27	27	27
Transit										
Bus Plaza	1	1	1	1	1	1	1	1	1	1
Buses	55	55	55	55	55	58	65	65	58	58
Refuse Collection										
Collection trucks	90	83	83	82	73	73	73	69	69	67
Parks and recreation										
Community centers and specialty center	12	12	12	12	12	11	11	11	11	11
Summer playgrounds and camps	77	65	46	46	46	43	43	43	43	43
Athletic fields	90	86	86	86	86	86	86	86	86	86
Golf courses	2	2	2	2	2	2	2	2	2	2
Swimming pools	11	11	11	11	11	11	11	11	11	11
Park acreage	3,881	3,881	3,881	3,881	3,881	3,881	3,881	3,529	3,529	3,529
Fitness trails	75	75	30	30	30	30	30	30	30	30
Tennis/racquetball courts	76	70	67	67	67	67	67	67	67	67
Gymnasiums, center sites	9	9	9	9	9	7	7	7	7	7
Gymnasiums, school sites	5	5	5	5	5	5	5	4	4	4
Airport	1	1	1	1	1	1	1	1	1	1
Other public works										
Traffic signals[1]	85	88	85	85	85	73	73	73	73	73

Source: Various city departments

(1) *The department did not have asset tracking database prior to FY 04. Only City owned signals are counted.*

CITY OF TALLAHASSEE, FLORIDA
Miscellaneous Statistical Data
September 30, 2023

Governance	
Date of Incorporation	1825
Date Present Charter Adopted	1996
Form of Government: Commission-Manager	
Commission Composed of: Mayor and Four Commissioners	
Terms of Office:	
Mayor - Five Years (Elected by Tallahassee Citizens)	
Commissioners - Five Years (Elected by Tallahassee Citizens)	
Manager (Appointed by Commission)	
Transportation:	
Airlines, Bus Lines, and Railroad Freight and Passenger	
Communications:	
Newspapers, Radio Stations, Television Stations;	
Cable Television and Telephone Service	
Climate	
Average Annual Temperature - in °F	67.7
Average Annual Rainfall - in inches	63.2
Area - in square miles	103.29

Education:	
Number of Public Schools [1]	51
Number of Public School Instructors [1]	2,328
Number of Public School Students, (PK-12) [1]	32,562
Number of Vocational-Technical Schools [1]	3
Number of Community Colleges	2
Number of Universities	5
Number of College-level Instructors [4]	2,377
Number of College-level Students [2]	65,664
Major Annual Events:	
Springtime Tallahassee Festival	
Fourth of July "Celebrate America"	
North Florida Fair	
Market Days	
Winter Festival	
Culture, Recreation, and Health:	
Conference Center, Civic Center, and Theaters	
Seating Capacity (Leon County Civic Center and	13,375
Museums	15
Libraries (including branches)	20
Skating Rinks	2
Golf Courses	11
Hospital Beds [3]	1,038

Source: *City of Tallahassee Records except as noted below:*

[1] Leon County /School Board

[2] Tallahassee Community College; Florida State University; Florida A & M University

[3] Tallahasse Memorial Healthcare and Capital Regional Medical Center

[4] Full Time Faculty at Tallahasse Community College, Florida State University, and Florida A&M University

See Independent Auditors' Report

CITY OF TALLAHASSEE, FLORIDA
Schedule of Insurance
September 30, 2023

Line of Coverage	Carrier	Limits/Coverage	Deductible/Retention	Effective	Expiration	Premium		Policy #
Terrorism	Lloyds of London	**Primary Property Damage:** Annual Aggregate - $250,000,000 **Liability:** Each Claim - $1,000,000 Annual Aggregate - $2,000,000 **Biological, Chemical or Nuclear** Annual Aggregate - $1,000,000 **Excess Property Damage:** Annual Aggregate - $100,000,000 excess of $250,000,000	Property Damage - $100,000 Liability - $100,000 $100,000; 72 hour waiting period Per Primary	5/1/2023	5/1/2024	**Total Premium Paid**	**$ 108,737.00**	**B0621MCITY006123**
Property	Factory Mutual Insurance Company-UTILITY ONLY	**Policy Limit - $1,000,000,000** **Total Insurable Value - $1,451,702,484 (as of binding)** Automatic Coverage - 90 days, but not to exceed $100,000,000 Computer Systems Non Physical Damage and Data, Programs or Software combined - $1,000,000, Aggregate Earth Movement - $250,000,000, Aggregate Errors and Omissions - $100,000,000 Expediting Costs - $50,000,000 Extra Expense - $50,000,000 Flood - $250,000,000 Service Interruption - Property Damage & Time Element - $25,000,000 **Sublimits are noted in the proposal & policies**	$100,000 - per Occurrence $100,000 - Wastewater Treatment Plant $500,000 - Power Generation Plants $250,000 - Transformers not at Power Generation locations $826,000 - Steam Turbine Generators $1.500,000 - Gas Turbine Generators $500,000 - Flood for property at locations identified in policy Named Storm Deductible per schedule **Refer to policy for full explanation of deductibles**	5/1/2023	5/1/2024	Premium Resilience Credit **Total Premium Paid**	$ 5,094,488.00 (231,588.00) **$ 4,862,900.00**	1116178
PROPERTY	AmRisc MUNICIPAL ONLY	**Policy Limit - $250,000,000** **Total Insurable Value - $429,136,063 (as of binding)** Automatic Coverage - 90 days, but not to exceed $100,000,000 Computer Systems Non Physical Damage and Data, Programs or Software combined - $1,000,000, Aggregate Earth Movement - $250,000,000, Aggregate Errors and Omissions - $100,000,000 Expediting Costs - $50,000,000 Extra Expense - $50,000,000 Flood - $250,000,000 Service Interruption - Property Damage & Time Element - $25,000,000 **Sublimits are noted in the proposal & policies**	$100,000 - per Occurrence Named Storm Deductible per schedule **Refer to policy for full explanation of deductibles**	5/1/2023	5/1/2024	Premium	**$ 1,555,215.00**	Various
Fine Arts	Travelers Property Casualty Company of America	Fine Arts	Basic Deductible - $1,000 Windstorm Deductible: $1,000	8/19/2023	8/19/2024	Premium	**$ 2,801.00**	QT-660-2G88697A-TIL-23
Surety	Auto-Owners Insurance Co.	James Cooke Bond		9/8/2023	9/8/2024	Premium	**$ 259.00**	66117834
Property- Boiler & Machinery Equipment Breakdown	Liberty Mutual	Blanket Limit: $100,000,000 Property Damage Included Business Income with Extra	Property Damage $100,000 Business Income 24 Hours Extra Expense No	5/1/2023	5/1/2024	Premium	**$ 20,013.00**	YB2L9L474411013
Airport Operators Liability	Global Aerospace	**Per Occurrence - $100,000,000** Damage to Premises Rented to You - $1,000,000 Personal and Advertising Injury Aggregate - $25,000,000 Products-Completed Operations Aggregate - $100,000,000 Hangarkeepers' Each Accident - $100,000,000 Hangarkeepers' Each Aircraft - $100,000,000 Non-Owned Aircraft - $100,000,000	$0 Each Occurrence or Offense Deductible $0 Aggregate Deductible	10/1/2023	10/1/2024	Premium Annual Installments	**$ 53,552.00**	15001414

Line of Coverage	Carrier	Limits/Coverage	Deductible/Retention	Effective	Expiration	Premium		Policy #
Cyber Liability	Amreican International Group/AIG Specialty	$10,000,000 - Maximum Aggregate Limit $10,000,000 - Cyber Incident Response Fund $100,000 - Non-Panel Response Provider $10,000,000 - Business Interruption Loss & Extra Expense $5,000,000 - Contingent BI and EE Unscheduled Providers $10,000,000 - Digital Data Recovery $10,000,000 - Network Extortion $10,000,000 - Cyber, Privacy and Network Security Liability $5,000,000 - Payment Card Loss $10,000,000 - Regulatory Proceedings $10,000,000 - Electronic, Social and Printed Media Liability	$150,000 Each Incident	10/1/2023	10/1/2024	Premium	**$ 65,126.00**	01-541-52.43
EMS Liability	General Star Indemnity Co	$6,000,000/$8,000,000 - Professional Liability $1,000,000/$1,000,000 - Abuse Molestation	$0 Each Claim	10/1/2023	10/1/2024	Premium	**$ 88,201.00**	IJG927317G
XS Workers' Compensation	Safety National Casualty Co.	Statutory - Workers' Compensation $1,000,000 - Employers Liability	$1,250,000 Per Occurrence Retention	10/1/2023	10/1/2024	Premium	**$ 272,929.00**	SP 4067373

CITY OF TALLAHASSEE, FLORIDA
Schedule of Insurance
September 30, 2023

Crime	Travelers Casualty and Surety Company of America	$1,000,000 - Employee Theft Per Loss Coverage $1,000,000 - Employee theft Per Employee Coverage $1,000,000 - Forgery or Alteration $1,000,000 - On Premises $1,000,000 - In Transit $1,000,000 - Money Orders & Counterfeit Money $1,000,000 - Computer Crime $1,000,000 - Funds Transfer Fraud EXCLUDED - Social Engineering Fraud $100,000 Telecommunication Fraud $25,000 - Personal Accounts Protection $25,000 - Identity Fraud Expense Reimbursement $5,000 - Claim Expense	$75,000 $75,000 $75,000 $75,000 $75,000 $75,000 $75,000 $75,000 n/a $75,000 $0 $0	10/1/2023	10/1/2024	Premium	**$ 12,114.00**	106175065
Firefighter Cancer Benefit	CHUBB/ACE American Insurance Co.	$25,000 - First Diagnosis Cancer Benefit $75,000 - Cancer Death Benefit	$0	10/1/2023	10/1/2024	Premium	**$ 53,429.00**	PTP N17937674
Fiduciary Firefighters	Travelers Casualty and Surety Company of America	$1,000,000 for all Claims Settlement Program Limit of Liability $250,000 HIPAA Limit of Liability $1,000,000 502 (c) Penalties Limit of Liability $250,000	$0 Retention	10/1/2021	10/1/2024	Premium Annual Installments	**$ 4,323.00**	106176744
Fiduciary General Employees	Travelers Casualty and Surety Company of America	$1,000,000 for all Claims Settlement Program Limit of Liability $250,000 HIPAA Limit of Liability $1,000,000 502 (c) Penalties Limit of Liability $250,000	$0 Retention	10/1/2023	10/1/2024	Premium	**$ 26,974.00**	106176742
Fiduciary Police Officers	Travelers Casualty and Surety Company of America	$1,000,000 for all Claims Settlement Program Limit of Liability $250,000 HIPAA Limit of Liability $1,000,000 502 (c) Penalties Limit of Liability $250,000	$1,000 Retention	10/1/2021	10/1/2024	Premium Annual Installments	**$ 5,537.00**	106176738
AD&D	ACE American Insurance Co.	Statutory AD&D Coverage		10/1/2023	10/1/2025	Premium	**$ 48,004.00**	ADD N17938459
This document is intended as a summary of insurance coverages only. Refer to the actual policy for coverage details.						**Total Premiums**	**$ 7,180,114.00**	

CITY OF TALLAHASSEE

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SINGLE AUDIT AND OTHER REPORTS

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, Major State Project, and the Passenger Facility Charge Program and on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance and Schedule of Passenger Facility Charges Required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, and *Passenger Facility Charge Audit Guide for Public Agencies*

Schedule of Findings and Questioned Costs

Schedule of Expenditures of Federal Awards and State Financial Assistance

Schedule of Expenditures of Passenger Facility Charges

Independent Accountant's Report

Independent Auditor's Management Letter



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*

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Tallahassee, 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 April 26, 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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

We noted certain matters that we reported to management of the City in a separate letter dated April 26, 2024.

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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.
Certified Public Accountants

Tallahassee, Florida
April 26, 2024



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM, MAJOR STATE PROJECT, AND THE PASSENGER FACILITY CHARGE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE AND REPORT ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE AND SCHEDULE OF PASSENGER FACILITY CHARGES REQUIRED BY THE UNIFORM GUIDANCE, CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*, AND *PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES*

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Report on Compliance for Each Major Federal Program, Major State Project, and the Passenger Facility Charge Program

Opinion on Each Major Federal Program, Major State Project, and the Passenger Facility Charge Program

We have audited the compliance of the City of Tallahassee, Florida (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement,* the requirements described in the Department of Financial Services' *State Projects Compliance Supplement,* and the requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration (the "Guide") that could have a direct and material effect on each of the City's major federal programs, major state projects, and the passenger facility charge program for the year ended September 30, 2023. The City's major federal programs and major state 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 in the first paragraph that could have a direct and material effect on each of the City's major federal programs, major state projects, and the passenger facility charge program for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program, Major State Project, and the Passenger Facility Charge Program

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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations,* Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General;* and the Guide. 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, major state project, and the passenger facility charge program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Responsibility of Management for Compliance

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

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*, the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*; and the Guide 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, major state project, and the passenger facility charge program as a whole.

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

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

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, state project, or the passenger facility charge program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program, state project, or the passenger facility charge program 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, state project, or the passenger facility charge program 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been 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, Chapter 10.550, *Rules of the Auditor General,* and the Guide. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance and Schedule of Passenger Facility Charges

We have audited the basic financial statements of 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. We issued our report thereon dated April 26, 2024, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, and schedule of passenger facility charges are presented for purposes of additional analysis, as required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General,* and the Guide, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

MSL, P.A.
Certified Public Accountants

Tallahassee, Florida
April 26, 2024

CITY OF TALLAHASSEE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended September 30, 2023

SECTION I - SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued:	**Unmodified Opinion**	
Internal control over financial reporting:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Noncompliance material to financial statements noted?	___ Yes	_X_ No

Federal Awards and State Financial Assistance

Internal control over major programs/projects:		
• Material weakness(es) identified?	___ Yes	_X_ No
• Significant deficiency(ies) identified?	___ Yes	_X_ None reported
Type of report issued on compliance for major federal programs and major state projects:	**Unmodified Opinion**	
Any audit findings disclosed that are required to be reported in accordance with Section 200.516 of the *Uniform Guidance* or Chapter 10.557, *Rules of the Auditor General?*	___ Yes	_X_ No

Identification of Major Federal Programs and Major State Projects

AL Number	Name of Federal Programs
21.027	Coronavirus State and Local Fiscal Recovery Funds
CSFA Numbers	**Name of State Projects**
31.078	Urban Search and Rescue Sustainment Program
37.102	Diesel Emissions Mitigation Program – Volkswagen Settlement
40.901	State Housing Initiatives Partnership Program
55.004	Aviation Grant Programs

Dollar threshold used to distinguish between Type A and Type B programs/projects:	Federal	$ 1,446,591
	State	$ 750,000
Auditee qualified as low-risk auditee pursuant to the Uniform Guidance?	_X_ Yes	___ No

CITY OF TALLAHASSEE, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*

For the Year Ended September 30, 2023

SECTION II - FINANCIAL STATEMENT FINDINGS

None reported.

SECTION III - FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS SECTION

None reported.

SECTION IV - PRIOR YEAR AUDIT FINDINGS

None reported.

City of Tallahassee
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023

ALN/CSFA #	Program Name	FAIN/State Grant #	Flow Through Agency	Sum of Current FY Expenditures	Subrecipient Expenditures
Federal Awards					
US Dept of Housing & Urban Development					
CDBG - Entitlement Grants Cluster					
14.218	Community Development Clock Grants/Entitlement Grants	B18MC12019		6,740	
	Community Development Clock Grants/Entitlement Grants	B19MC12019		59,258	
	Community Development Clock Grants/Entitlement Grants	B20MC12019		92,158	
	Community Development Clock Grants/Entitlement Grants	B20MW12019		747,193	
	Community Development Clock Grants/Entitlement Grants	B21MC12019		1,226,210	
	Community Development Clock Grants/Entitlement Grants	B22MC12019		701,108	
14.218 Total	**CDBG - ENTITLEMENT GRANTS CLUSTER**			2,832,667	1,301,134
14.231	Emergency Solutions Grant Program	E19MC12019 Total		300,515	
	Emergency Solutions Grant Program	E21MC12019 Total		393	
	Emergency Solutions Grant Program	E22MC12019 Total		157,307	
14.231 Total	**EMERGENCY SOLUTIONS GRANT PROGRAM**			458,215	306,941
14.239	Home Investment Partnerships Program	M20MC12221		181,743	
	Home Investment Partnerships Program	M21MC12221		94,119	
	Home Investment Partnerships Program	M21MP12221		119,532	
	Home Investment Partnerships Program	M22MC12221		321,162	
14.239 Total	**HOME INVESTMENT PARTNERSHIPS PROGRAM**			716,556	601,076
14.905 Total	**LEAD HAZARD REDUCTION DEMONSTRATION GRANT PROGRAM**	FLLHB07832		44,537	
US Dept of Justice					
16.540	Juvenile Justice and Delinquency Prevention	10531	Florida Dept of Juvenile Justice	46,887	
	Juvenile Justice and Delinquency Prevention	10641	Florida Dept of Juvenile Justice	1,008	
16.540 Total	**JUVENILE JUSTICE AND DELINQUENCY PREVENTION**			47,895	
16.609 Total	**PLANNING, IMPLEMENTING, AND ENHANCING STRATEGIES IN COMMUNITY PROSECUTION - GUN VIOLENCE PROSECUTION**	8H002	Florida Dept of Law Enforcement	48,417	
16.710	Public Safety Partnership and Community Policing Grants	2016ULWX30		116,568	
	Public Safety Partnership and Community Policing Grants	21GG02309		52,481	
	Public Safety Partnership and Community Policing Grants	21GG02462		130,403	
16.710 Total	**PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS**			299,452	
16.738	Edward Byrne Memorial Justice Assistance Grant Program	8C145	Florida Dept of Law Enforcement	31,878	
	Edward Byrne Memorial Justice Assistance Grant Program	2020-DJ-BX-0819		100,225	
	Edward Byrne Memorial Justice Assistance Grant Program	15PBJA-21-GG-01353-JAGX		33,765	
	Edward Byrne Memorial Justice Assistance Grant Program	15PBJA-22-GG-02142-JAGX		32,787	
16.738 Total	**EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM**			198,655	
US Dept of Transportation					
20.106	Airport Improvement Program	3-12-0077-44-2020		(809)	
	ARPA Airport Improvement Program	3-12-0077-48-2022		2,932,120	
	ARPA Airport Improvement Program	3-12-0077-49-2022		163,895	
	Airport Improvement Program	3-12-0077-50-2022		4,481,373	
	Airport Improvement Program	3-12-0077-51-2022		854,779	
	Airport Improvement Program	3-12-0077-52-2022		30,744	
	Airport Improvement Program	3-12-0077-53-2023		642,085	
20.106 Total	**AIRPORT IMPROVEMENT PROGRAM**			9,104,187	
20.205	Highway Planning and Construction	G1C59	Florida Dept of Transportation	81,742	
	Highway Planning and Construction	G2A92	University of North Florida	28,153	
20.205 Total	**HIGHWAY PLANNING AND CONSTRUCTION**			109,895	
20.505 Total	**METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH**	FL2021029		180,141	

(continued)

City of Tallahassee
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023

ALN/CSFA #	Program Name	FAIN/State Grant #	Flow Through Agency	Sum of Current FY Expenditures		Subrecipient Expenditures
Federal Transit Cluster						
20.507	Federal Transit Formula Grant	FL2020089		709,025		
	Federal Transit Formula Grant	FL2021034		91,123		
	Federal Transit Formula Grant	FL2021038		656,489		
	Federal Transit Formula Grant	FL2022054		10,041,483	6	
	Federal Transit Formula Grant	FL2023006		2,649,862	6	
	Federal Transit Formula Grant	FL2023007		2,599,155	6	
20.507 Total	**FEDERAL TRANSIT FORMULA GRANT**			16,747,137		
20.526	Bus and Bus Facilities Formula Program	FL2020100		40,237		
	Bus and Bus Facilities Formula Program	FL2021038		81,048		
20.526 Total	**BUS AND BUS FACILITIES FORMULA PROGRAM**			121,284		
Total	**FEDERAL TRANSIT CLUSTER**			16,868,421		
20.509	Public Transportation for Nonurbanized Areas	G2C87	Florida Dept of Transportation	309,228		
	Public Transportation for Nonurbanized Areas	G2G87	Florida Dept of Transportation	58,599		
20.509 Total	**PUBLIC TRANSPORTATION FOR NONURBANIZED AREAS**			367,827		
20.513	Enhanced Mobility of Seniors and Individuals with Disabilities	FL2017078		29,097		
	Enhanced Mobility of Seniors and Individuals with Disabilities	FL2021045		92,669		
20.513 Total	**TRANSIT SERVICE PROGRAMS CLUSTER**			121,766		
20.600 Total	**HIGHWAY SAFETY CLUSTER**	G2G25	Florida Dept of Transportation	39,961		
US Dept of Treasury						
21.027 Total	**CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS**	SLF6650		16,323,741		
US Dept of Homeland Security						
97.036	Disaster Grants-Public Assistance	4280	Florida Office of the Governor	222,286		
	Disaster Grants-Public Assistance	4399	Florida Office of the Governor	54,063		
	Disaster Grants-Public Assistance	4673	Florida Office of the Governor	20,562		
97.036 Total	**DISASTER GRANTS-PUBLIC ASSISTANCE**			296,912		
97.039	Hazard Mitigation Grant	H0575	Florida Office of the Governor	1,670		
	Hazard Mitigation Grant	H0620	Florida Office of the Governor	3,004		
	Hazard Mitigation Grant	H0637	Florida Office of the Governor	22,567		
	Hazard Mitigation Grant	H0649	Florida Office of the Governor	17,047		
	Hazard Mitigation Grant	H0698	Florida Office of the Governor	16,020		
	Hazard Mitigation Grant	H0897	Florida Office of the Governor	2,087		
97.039 Total	**HAZARD MITIGATION GRANT**			62,395		
97.067	Homeland Security Grant Program	R0050	Florida Office of the Governor	(848)		
	Homeland Security Grant Program	R0050	Florida Office of the Governor	(149)		
	Homeland Security Grant Program	R0292	Florida Office of the Governor	2,988		
	Homeland Security Grant Program	R0292	Florida Office of the Governor	8,970		
	Homeland Security Grant Program	R0472	Florida Office of the Governor	78,829		
	Homeland Security Grant Program	R0583	Florida Office of the Governor	2,597		
	Homeland Security Grant Program	R0584	Florida Office of the Governor	5,679		
97.067 Total	**HOMELAND SECURITY GRANT PROGRAM**			98,066		
Total Federal Awards Expenditures				48,219,706		2,209,150

(continued)

City of Tallahassee
Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended September 30, 2023

ALN/CSFA #	Program Name	FAIN/State Grant #	Flow Through Agency	Sum of Current FY Expenditures	Subrecipient Expenditures
State of Florida Financial Assistance					
Executive Office of the Governor					
31.078 Total	**URBAN SEARCH AND RESCUE SUSTAINMENT PROGRAM**	T0232		783,374	
Dept of Environmental Protection					
37.052 Total	**FLORIDA SPRINGS GRANT PROGRAM**	17-056	Northwest Florida Management District	48,955	
37.102 Total	**DIESEL EMISSIONS MITIGATION PROGRAM - VOLKSWAGEN SETTLEMENT**	VW306		900,001	
Dept of Transportation					
55.001	Florida Commission for the Transportation Disadvantaged Trip And Equipment Grant Program	G1X86		32,121	
	Florida Commission for the Transportation Disadvantaged Trip And Equipment Grant Program	G2A22		427,845	
55.001 Total	**FLORIDA COMMISSION FOR THE TRANSPORTATION DISADVANTAGED(CTD) TRIP AND EQUIPMENT GRANT PROGRAM**			459,967	
55.010 Total	**PUBLIC TRANSIT BLOCK GRANT PROGRAM**	G2F56		1,524,447	
55.012 Total	**PUBLIC TRANSIT SERVICE DEVELOPMENT PROGRAM**			264,849	
55.004	Aviation Grant Programs	G2244		406,356	
	Aviation Grant Programs	G1540		997,454	
	Aviation Grant Programs	G1C03		3,375,885	
	Aviation Grant Programs	G1O66		183,102	
	Aviation Grant Programs	G2820		360,173	
	Aviation Grant Programs	G2870		665,278	
	Aviation Grant Programs	G2H08		25,270	
	Aviation Grant Programs	G2H07		163,446	
55.004 Total	**AVIATION GRANT PROGRAMS**			6,176,965	
Florida Housing Finance Corporation					
40.901 Total	**STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM**	N/A		1,384,020	1,351,971
Florida Department of Law Enforcement					
71.010 Total	**ASSISTANCE WITH INVESTIGATIVE OPERATIONS**	4C002		14,651	
71.043 Total	**FLORIDA INCIDENT BASED REPORTING SYSTEM**	21FBSFA24		6	
Florida Department of Juvenile Justice					
80.029	Delinquency Prevention	10729		485,918	
	Delinquency Prevention	10804		6,834	
80.029 Total	**DELINQUENCY PREVENTION**			492,752	
Total State Financial Assistance Expenditures				12,049,986	1,351,971

NOTES

1) The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule) presents the activity of all federal programs and state projects of the City of Tallahassee for the year ended September 30, 2023. All expenditures related to federal awards and state projects received directly from federal and state agencies, as well as federal awards and state projects passed through other governmental agencies, are included in the accompanying Schedule. The information in this Schedule is presented in accordance with the requirements of Title 2, US 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 Florida Auditor General.

2) The Schedule was prepared on the modified accrual basis of accounting.

3) No federal or state financial assistance was expended in non-cash assistance.

4) The City has not elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

5) Housing loans outstanding at year end:

Community Development Block Grant – Entitlement	14.218		517,587
Home Investment Partnerships Program	14.239		4,632,606
State Housing Initiatives Partnership Program	40.901		1,495,063
			$ 6,645,257

6) Expenditures for the following awards included expenditures incurred through September 30, 2022:

Federal Transit Formula Grant	20.507	FL2022054	6,805,301
Federal Transit Formula Grant	20.507	FL2023006	1,144,325
Federal Transit Formula Grant	20.507	FL2023007	2,464,858
			$ 10,414,484

7) Statement in accordance with Chapter 341.052, Florida Statutes, Florida Department of Transportation, Public Transit Block Grant funds did not exceed local revenue; were not expended for depreciation or amortization of capital assets; and did not supplant local tax revenues made available for operations in the previous year.

City of Tallahassee
Schedule of Expenditures of Passenger Facility Charges
For the Year Ended September 30, 2023

Program Title		Expenditures
Passenger Facility Charges Used:		
Passenger Facility Charge Application #16-07-C-00-TLH:		
Project 1:	Terminal Rehabilitation	839,310
Project 2:	Terminal PLB Design, Acquisition and Installation	450,866
Project 4:	Multiple-User Passenger Information Display Systems	521,128
Total Passenger Facility Charges Used		$ 1,811,304

MSL
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

We have examined the compliance of the City of Tallahassee, Florida (the "City") with the requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2023. Management is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the City's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of 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. Our examination does not provide a legal determination on the City's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

In our opinion, the City complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

MSL, P.A.
Certified Public Accountants

Tallahassee, Florida
April 26, 2024



INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Report on the Financial Statements

We have audited the basic financial statements of the City of Tallahassee, Florida (the "City") as of and for the year ended September 30, 2023, and have issued our report thereon dated April 26, 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations,* Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General;* and the *Passenger Facility Charge Audit Guide for Public Agencies.*

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, Major State Project, and the Passenger Facility Charge Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance and Schedule of Passenger Facility Charges Required by the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General,* and *Passenger Facility Charge Audit Guide for Public Agencies;* 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 April 26, 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 annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

Financial Condition and Management

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

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

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

Special District Component Units

Section 10.554(1)(i)5.c, *Rules of the Auditor General,* requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statues, and Section 10.554(1)(i)6, *Rules of the Auditor General*, see Attachment A for required information on the dependent special districts that are included in the reporting entity. The information in Attachment A has not been subject to auditing procedures, therefore no assurance is given on the provided information.

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.

The Honorable Mayor and
Members of the City Commission
City of Tallahassee, Florida

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, City Commission, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.
Certified Public Accountants

Tallahassee, Florida
April 26, 2024

Special District Component Units-Reporting Requirements		
As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General		
	Blended Component Unit	Discretely Presented Component Unit
Reporting Rquirements from Section 218.39 (3)(b), Florida Statutes	Community Redevelopment Agency	Downtown Improvement Authority
The total number of district employees compensated in the last pay period of the district's fiscal year as of September 30, 2023.	5	2
The total number of independent contractors to whom the nonemployee compensation was paid in the last month of the district's fiscal year as of September 30, 2023.	7	7
All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as of September 30, 2023.	452,263.46	131,730.66
All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as of September 30, 2023.	2,575,565.83	148,269.41
Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as of September 30, 2023.	Early's Kitchen-$213,111 approved, $50,000 paid in FY 23; Short Hike LLC, dba Amicus Brewing-$362,220 approved, $64,652 paid in FY 23; Frenchtown Squared CDC-$294,026 approved, $147,013 paid in FY 23; LeMoyne Studios-$100,000 approved, $0 paid in FY 23	None
A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as of September 30, 2023.	Refer to separately issued Financial Statements	See Attachment B

CITY OF TALLAHASSEE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Budgetary Comparison Schedule
Downtown Improvement Authority
September 30, 2023

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive
	Original	Final	(Budgetary Basis)	(Negative)
Budgetary Fund Balance - October 1	$ -	$ -	$ -	$ -
Resources				
Taxes	250	250	253	3
Licenses and Permits	-	-	-	-
Intergovernmental Revenues	-	-	-	-
Charges for Services	105	105	130	25
Fines and Forfeitures	-	-	-	-
Interest Earned	2	2	5	3
Miscellaneous	19	19	2	(16)
Transfers from Other Funds	-	-	-	-
Amounts Available for Appropriations	376	376	390	14
Charges to Appropriations				
General Government	-	-	-	-
Public Safety	-	-	-	-
Transportation	-	-	-	-
Human Services	-	-	-	-
Economic Development	376	366	372	(6)
Physical Environment	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service	-	-	-	-
Transfers to Other Funds	-	10	10	-
Total Charges to Appropriations	376	376	382	(6)
Budgetary fund balance, September 30	$ -	$ -	$ 8	$ 8