CITY OF BOWLING GREEN, FLORIDA

FINANCIAL STATEMENTS

AND SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2024

CITY OF BOWLING GREEN, FLORIDA
FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

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City of Bowling Green, Florida
Principal City Officials

September 30, 2024

CITY COMMISSION

N'KOSI L. JONES, MAYOR
ROBERT S. FITE, JR., VICE MAYOR
DAVID DURASTANTI
HERBERT C. LUNN, JR.
FRANCISCO ARREOLA

CITY OFFICIALS

PAMELA DURRANCE, CITY MANAGER
JOHN SCHEEL, POLICE CHIEF
GERALD BUHR, CITY ATTORNEY

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and City Commission
City of Bowling Green, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bowling Green, Florida, (City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

BRADENTON 1001 3rd Avenue West, Suite 700 Bradenton, FL 34205 ph 941.748.1040
SARASOTA 1515 Ringling Boulevard, Suite 900 Sarasota, FL 34236 ph 941.954.4040
TAMPA 101 East Kennedy Boulevard, Suite 1460 Tampa, FL 33602 ph 813.490.4490
WWW.CSLCPA.COM

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 15, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



CS&L CPAs, P.A.

January 15, 2025
Bradenton, Florida

CITY OFFICIALS
Pamela Durrance, City Manager
Katherin Kinzel, City Clerk
John Scheel, Police Chief
Gerald Buhr, City Attorney



COMMISSIONERS
N'Kosi Jones, Mayor
Sam Fite, Vice Mayor
David Durastanti
Cliff Lunn
Francisco Arreola

P.O. Box 608, 104 E. Main Street
Bowling Green, FL 33834-0608
(863) 375-2255 / (863) 375-3362 Fax

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Bowling Green, Florida (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 ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the basic financial statements.

Financial Highlights

- The assets of the City exceeded its deferred inflows of resources and liabilities at the close of the most recent fiscal year by $16,191,572 (net position). Of this amount, $2,431,798 (unrestricted net position) may be used to meet the City's ongoing obligations to citizens and creditors.
- The government's total net position increased by $892,255.
- As of the close of the current fiscal year, the City's general fund reported ending fund balance of $1,076,236, a decrease of $469,564. Of this total amount, $1,076,109 is available for spending at the City's discretion (unassigned fund balance).

Overview of the Financial Statements

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

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

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported in a manner similar to the approach used by private-sector businesses in that revenues are recognized when earned or established criteria are satisfied and expenses reported when incurred. Accordingly, revenues are reported even when they may not be collected for several months after the end of the year, and expenses are reported even though they may not have used cash during the current fiscal year.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, physical environment, and culture and recreation, as well as the Community Redevelopment Agency. The business-type activities of the City include the water, sewer, and sanitation departments.

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

Fund financial statements: Funds are a group of self-balancing accounts. Funds are used to account for specific activities or objectives of the City, rather than reporting on the City as a whole. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

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

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

The City utilizes a general fund and special revenue fund. In fiscal year 2016, the City established the City of Bowling Green Community Redevelopment Agency (CRA) – a special revenue fund – which began operations in fiscal year 2017 and is also reported as a governmental fund. The General Fund is considered by the City to be a major fund and the Special Revenue Fund is considered a non-major fund.

The City adopts an annual appropriated budget for both its general fund and special revenue fund. A budgetary comparison statement has been provided for both funds to demonstrate compliance with their respective budgets.

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

Proprietary funds: The City utilizes one type of proprietary fund, the enterprise fund. The enterprise fund is used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses the enterprise fund to account for its water, sewer, and sanitation departments.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, sewer, and sanitation departments. These activities are all accounted for in one fund, which is classified as a major fund.

The basic proprietary fund financial statements can be found on pages 16 through 18 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 19 of this report.

Other information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's general fund budgetary comparison. Required supplementary information can be found on page 37 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Bowling Green, assets exceeded deferred inflows and liabilities by $16,191,572 at the close of the most recent fiscal year. The following table presents a condensed statement of net position as of September 30, 2024 with comparative totals as of September 30, 2023:

Net Position at September 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Current and other assets	$ 2,524,437	$ 2,793,810	$ 1,844,557	$ 1,637,701	$ 4,368,994	$ 4,431,511
Capital assets	2,758,425	1,613,398	13,735,887	14,035,641	16,494,312	15,649,039
Total assets	**5,282,862**	**4,407,208**	**15,580,444**	**15,673,342**	**20,863,306**	**20,080,550**
Long-term liabilities outstanding	143,231	180,578	3,104,467	3,313,569	3,247,698	3,494,147
Other liabilities	182,688	53,092	519,798	468,841	702,486	521,933
Total liabilities	325,919	233,670	3,624,265	3,782,410	3,950,184	4,016,080
Deferred inflows	721,550	765,153	-0-	-0-	721,550	765,153
Net position:						
Net investment in capital assets	2,747,766	1,602,252	10,631,420	10,722,072	13,379,186	12,324,324
Restricted	13,654	216,967	366,934	292,535	380,588	509,502
Unrestricted	1,473,973	1,589,166	957,825	876,325	2,431,798	2,465,491
Total net position	**$ 4,235,393**	**$ 3,408,385**	**$11,956,179**	**$11,890,932**	**$16,191,572**	**$15,299,317**

The majority of the City's net position, $13,379,186, (or 83%) reflects its net investment in capital assets (e.g., land, buildings, machinery, and equipment, less any related debt used to acquire those assets that are still outstanding). The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position, $380,588, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position in the amount of $2,431,798 may be used to meet the City's ongoing obligations to citizens and creditors.

The following table presents a condensed statement of activities, which details the changes in net position for the year ended September 30, 2024 with comparative totals for the year ended September 30, 2023.

Changes in Net Position
For the Years Ended September 30, 2024 and 2023

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 127,961	$ 119,365	$ 1,840,016	$ 1,644,040	$ 1,967,977	$ 1,763,405
Operating grants and contributions	4,406	34,970	-0-	13,794	4,406	48,764
Capital grants and contributions	877,899	217,839	581,841	773,302	1,459,740	991,141
General revenues:						
Property taxes	511,288	429,642	-0-	-0-	511,288	429,642
Other taxes	893,622	847,644	-0-	-0-	893,622	847,644
Transfers	-0-	676	-0-	(676)	-0-	-0-
Other	232,635	233,101	62,040	90,576	294,675	323,677
Total Revenues	2,647,811	1,883,237	2,483,897	2,521,036	5,131,708	4,404,273
Expenses:						
General government	496,642	435,555	-0-	-0-	496,642	435,555
Public safety	838,395	685,985	-0-	-0-	838,395	685,985
Culture and recreation	182,465	326,628	-0-	-0-	182,465	326,628
Physical environment	302,600	329,825	-0-	-0-	302,600	329,825
Interest on long-term debt	701	1,017	24,288	90,877	24,989	91,894
Water	-0-	-0-	727,735	936,988	727,735	936,988
Sewer	-0-	-0-	1,327,291	1,038,064	1,327,291	1,038,064
Sanitation	-0-	-0-	339,336	361,504	339,336	361,504
Total Expenses	1,820,803	1,779,010	2,418,650	2,427,433	4,239,453	4,206,443
Change in Net Position	827,008	104,227	65,247	93,603	892,255	197,830
Net position, Beginning of Year	3,408,385	3,304,158	11,890,932	11,797,329	15,299,317	15,101,487
Net position, End of Year	**$ 4,235,393**	**$ 3,408,385**	**$11,956,179**	**$11,890,932**	**$16,191,572**	**$15,299,317**

Governmental activities: Governmental activities increased the City's net position by $827,008. Revenues increased over the prior year by $764,574. The increase was largely due to increases in property taxes and grants. Expenses increased by $41,793 due largely to increases in payroll and related expenses.

Business-type activities: Business-type activities increased the City's net position by $65,247. Key elements of the difference between the current year and prior year are:

- Charges for services increased by $195,976 due to increased rates.
- Grant revenues and capital contributions decreased $191,461 over the prior year.
- Expenses were overall consistent with the prior year, decreasing by $8,783.

Financial Analysis of the Government'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, spendable unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's general fund reported an ending fund balance of $1,076,236, a decrease of $469,564. $1,076,109 of this total amount is unassigned fund balance, which is available for future spending at the government's discretion. The remainder of fund balance is restricted for the police department.

Activity during the current fiscal year included the following key components:

- Total general fund revenues increased over prior year by $451,617. The increase was primarily due to grant revenues of $348,611 and taxes of $66,605.

- The general fund expenditures increased over prior year by $859,655. The increase was primarily due to capital outlay expenditures which included the purchase of four vehicles.

The CRA fund – a special revenue fund had $138,527 of ending fund balance all of which was restricted. The CRA fund balance decreased by $78,313 in the current year due to providing residential and commercial grants in the redevelopment area.

Proprietary funds. The City's proprietary funds provide the same type of information found in the business-type activities in the government-wide financial statements, but in more detail. The following are the noteworthy changes from the prior year:

- Operating revenues increased over the prior year by $202,312.

- Operating expenses increased $57,806 which was largely due to increased payroll and contract operator expenses.

General Fund Budgetary Highlights

Original and final budgeted revenues were $2,434,077, and original and final budgeted expenditures were $2,473,823. Actual revenues were less than budgeted by $159,074 due mainly to less grants than anticipated. Actual expenditures were greater than budget by $270,744 due mainly to public safety capital outlay.

Capital Assets and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of September 30, 2024, amounts to $16,494,312 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, sewer line improvements, water system improvements, machinery and equipment, and construction in progress.

The following is a summary of the City's capital assets at September 30, 2024 with comparative totals at September 30, 2023:

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Land	$ 510,393	$ 510,393	$ 31,894	$ 31,894	$ 542,287	$ 542,287
Construction in progress	840,183	91,689	746,843	330,938	1,587,026	422,627
Infrastructure	829,354	646,648	-0-	-0-	829,354	646,648
Building and improvements	220,385	245,334	12,237,631	12,949,560	12,458,016	13,194,894
Machinery and equipment	358,110	119,334	719,519	723,249	1,077,629	842,583
	$ 2,758,425	**$ 1,613,398**	**$13,735,887**	**$14,035,641**	**$ 16,494,312**	**$15,649,039**

Additional information on the City's capital assets can be found in note 2 of this report.

Long-Term Liabilities. At the end of the current fiscal year, the City had total long-term liabilities outstanding of $3,247,698. The City's long-term liabilities represents bonds and revenue notes secured solely by specified revenue sources, as well as notes payable and lease liability.

	Governmental Activities		Business-type Activities		Totals	
	2024	2023	2024	2023	2024	2023
Revenue bonds	$ -0-	$ -0-	$ 402,000	$ 444,675	$ 402,000	$ 444,675
Lease liability	138,204	170,862	-0-	-0-	138,204	170,862
Notes payable	5,027	9,716	2,702,467	2,868,894	2,707,494	2,878,610
	$ 143,231	**$ 180,578**	**$ 3,104,467**	**$ 3,313,569**	**$ 3,247,698**	**$ 3,494,147**

Additional information on the City's long-term debt can be found in note 2 of this report.

Economic Factors and Next Year's Budgets and Rates

The City of Bowling Green anticipates no increases in property taxes.

The City's fiscal year 2025 general fund budget included $2,383,184 for revenues and expenditures, and the CRA budget included $205,378 for revenues and expenditures. The City's fiscal year 2024 enterprise fund budget includes $16,850,006 for revenues and expenses, which includes grant reimbursements and related capital expenses.

Requests for Information

This financial report is designed to provide a general overview of the City of Bowling Green, Florida finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Bowling Green, 104 East Main Street, Bowling Green, Florida 33834.

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 859,448	$ 746,945	$ 1,606,393
Certificates of deposit	521,115	-	521,115
Receivables (net of allowance for uncollectibles)	32,748	139,170	171,918
Grants receivable	212,191	242,935	455,126
Due from other governmental units	67,098	-	67,098
Internal balances	(221,733)	221,733	-
Inventory	-	4,780	4,780
Deposits	125,000	-	125,000
Restricted:			
Cash	13,774	384,377	398,151
Certificates of deposit	-	104,617	104,617
Lease interest receivable	1,951	-	1,951
Lease receivable	780,273	-	780,273
Right-to-use assets	132,572	-	132,572
Capital Assets (net of accumulated depreciation):			
Land	510,393	31,894	542,287
Construction in progress	840,183	746,843	1,587,026
Buildings and improvements	220,385	12,237,631	12,458,016
Infrastructure	829,354	-	829,354
Machinery and equipment	358,110	719,519	1,077,629
TOTAL ASSETS	5,282,862	15,580,444	20,863,306
LIABILITIES			
Accounts payable	172,335	390,701	563,036
Accrued expenses	10,353	4,043	14,396
Accrued interest payable	-	2,994	2,994
Liabilities payable from restricted assets	-	122,060	122,060
Noncurrent liabilities:			
Due within one year	40,043	196,019	236,062
Due in more than one year	103,188	2,908,448	3,011,636
TOTAL LIABILITIES	325,919	3,624,265	3,950,184
DEFERRED INFLOWS OF RESOURCES			
Lease-related inflows of resources	721,550	-	721,550
TOTAL DEFERRED INFLOWS OF RESOURCES	721,550	-	721,550
NET POSITION			
Net investment in capital assets	2,747,766	10,631,420	13,379,186
Restricted			
Revenue bond retirement	-	113,034	113,034
Other purposes	13,654	253,900	267,554
Unrestricted	1,473,973	957,825	2,431,798
TOTAL NET POSITION	**$ 4,235,393**	**$ 11,956,179**	**$ 16,191,572**

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

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business -type Activities	Total
General government	$ 496,642	$ 68,539	$ -	$ 161,744	$ (266,359)	$ -	$ (266,359)
Police department	838,395	37,054	-	-	(801,341)	-	(801,341)
Culture and recreation	182,465	-	-	503,965	321,500	-	321,500
Physical environment	302,600	22,368	4,406	212,190	(63,636)	-	(63,636)
Interest	701	-	-	-	(701)	-	(701)
Total Governmental Activities	1,820,803	127,961	4,406	877,899	(810,537)	-	(810,537)
Water	738,870	613,314	-	420,431	-	294,875	294,875
Sewer	1,340,444	781,638	-	161,410	-	(397,396)	(397,396)
Sanitation	339,336	445,064	-	-	-	105,728	105,728
Total Business-type Activities	2,418,650	1,840,016	-	581,841	-	3,207	3,207
	$ 4,239,453	**$ 1,967,977**	**$ 4,406**	**$ 1,459,740**	**(810,537)**	**3,207**	**(807,330)**
General Revenues:							
Ad valorem					511,288	-	511,288
Utility tax					205,109	-	205,109
Communications service					46,127	-	46,127
Gas taxes and rebates					40,425	-	40,425
State revenue sharing					203,346	-	203,346
Half-cent sales tax					112,694	-	112,694
One-cent surtax					285,921	-	285,921
Unrestricted investment earnings					7,848	20,808	28,656
Franchise fees					117,067	-	117,067
Other					107,720	41,232	148,952
Total General Revenues					1,637,545	62,040	1,699,585
Transfers					-	-	-
Total General Revenues and Transfers					1,637,545	62,040	1,699,585
Change in Net Position					827,008	65,247	892,255
Net Position - Beginning					3,408,385	11,890,932	15,299,317
Net Position - Ending					**$ 4,235,393**	**$ 11,956,179**	**$ 16,191,572**

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

CITY OF BOWLING GREEN, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Special Revenue Fund (Nonmajor)	Total Governmental Funds
ASSETS			
Cash	$ 859,448	$ -	$ 859,448
Certificates of deposit	521,115	-	521,115
Receivables (net of allowance for uncollectible)	32,748	-	32,748
Grants receivable	212,191	-	212,191
Due from other governmental units	67,098	-	67,098
Deposits	-	125,000	125,000
Cash - restricted	127	13,647	13,774
Total assets	**$ 1,692,727**	**$ 138,647**	**$ 1,831,374**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 172,215	$ 120	$ 172,335
Accrued expenses	10,353	-	10,353
Due to other funds	221,733	-	221,733
Total liabilities	404,301	120	404,421
Deferred inflows of resources:			
Unavailable revenue	212,190	-	212,190
Fund balances:			
Non-spendable	-	125,000	125,000
Spendable:			
Restricted	127	13,527	13,654
Unassigned	1,076,109	-	1,076,109
Total fund balances	1,076,236	138,527	1,214,763
Total liabilities, deferred inflows of resources and fund balances	**$ 1,692,727**	**$ 138,647**	**$ 1,831,374**

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

CITY OF BOWLING GREEN, FLORIDA
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:		
Fund Balance-Governmental funds	$	1,214,763
Lease assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Lease interest receivable		1,951
Lease receivable		780,273
Right-to-use assets		132,572
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		2,758,425
Deferred inflows of resources are not available current financial resources and, therefore, are not reported as revenue in the funds.		
Unavailable revenue		212,190
Deferred inflows of resources related to leases do not utilize current financial resources and, therefore, are not reported in the funds.		(721,550)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Direct borrowing note payable		(5,027)
Lease liability		(138,204)
NET POSITION OF GOVERNMENTAL ACTIVITIES	**$**	**4,235,393**

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

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Special Revenue Fund (Nonmajor)	Total Governmental Funds
Revenues:			
Taxes	$ 659,571	$ 143,378	$ 802,949
Fines and forfeitures	37,054	-	37,054
Intergovernmental revenue	601,961	-	601,961
Franchise fees	117,067	-	117,067
Licenses and permits	11,553	-	11,553
Grants	670,115	-	670,115
Interest	7,789	59	7,848
Miscellaneous	169,893	-	169,893
Total Revenues	2,275,003	143,437	2,418,440
Expenditures:			
General government	469,274	-	469,274
Public safety	784,304	-	784,304
Culture and recreation	52,090	125,685	177,775
Physical environment	238,927	-	238,927
Capital outlay	1,194,582	96,065	1,290,647
Debt service - principal	4,689	-	4,689
Debt service - interest	701	-	701
Total Expenditures	2,744,567	221,750	2,966,317
Net Change in Fund Balance	(469,564)	(78,313)	(547,877)
FUND BALANCE - Beginning	1,545,800	216,840	1,762,640
FUND BALANCE - Ending	**$ 1,076,236**	**$ 138,527**	**$ 1,214,763**

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

CITY OF BOWLING GREEN, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES
EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:	
Net changes in fund balances - Governmental funds	$ (547,877)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay additions exceed depreciation expense in the current year.	
Depreciation	(145,620)
Capital outlay - capital assets	1,290,647
	1,145,027
Revenues in the statement of activities that do not provide current financial resources as they do not meet the availability criteria are not reported as revenues in the funds.	
Change in lease interest receivable	(66)
Change in lease receivable	(26,356)
Change in unavailable revenue	212,190
Change in lease-related inflows of resources	43,603
	229,371
The repayment of principal long-term debt consumes current financial resources of governmental funds. However, the transaction has no effect on net position.	4,689
The repayment of lease liabilities consumes current financial resources of governmental funds. However, the transaction has no effect on net position. This amount represents the change in the lease liability.	(4,202)
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	**$ 827,008**

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

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Fund
ASSETS	
Current Assets:	
Cash	$ 746,945
Accounts receivable, net	139,170
Grants receivable	242,935
Due from other funds	221,733
Inventory	4,780
Total current assets	1,355,563
Non-current Assets:	
Restricted assets:	
Cash	384,377
Certificates of deposit	104,617
Total restricted assets	488,994
Capital Assets:	
Land	31,894
Construction in progress	746,843
Buildings and improvements	20,239,690
Machinery and equipment	1,271,625
Accumulated depreciation	(8,554,165)
Total capital assets (net)	13,735,887
Total non-current assets	14,224,881
TOTAL ASSETS	**15,580,444**
LIABILITIES	
Current Liabilities:	
Accounts payable	390,701
Accrued expenses	4,043
Total current liabilities	394,744
Current Liabilities Payable from Restricted Assets:	
Accrued interest payable	2,994
Customer deposits	122,060
Current portion - long term debt	196,019
Total current liabilities payable from restricted assets	321,073
Non-current Liabilities:	
Notes payable	2,536,448
Revenue bonds payable	372,000
Total noncurrent liabilities	2,908,448
TOTAL LIABILITIES	3,624,265
NET POSITION	
Net investment in capital assets	10,631,420
Restricted	366,934
Unrestricted	957,825
TOTAL NET POSITION	**$ 11,956,179**

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

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Fund
Operating Revenues:	
Charges for sales and services:	
Water charges	$ 613,314
Sewer charges	781,638
Sanitation charges	445,064
Penalties, late fees and miscellaneous	39,832
Total Operating Revenues	**1,879,848**
Operating Expenses:	
Cost of sales and services:	
Personal services	523,213
Other operating expenses	1,003,989
Depreciation and amortization	867,160
Total Operating Expenses	**2,394,362**
Operating Income (Loss)	**(514,514)**
Non-Operating Revenues (Expenses)	
Interest income	20,808
Interest expense	(24,288)
Other non-operating revenue (expense)	1,400
Total Non-Operating Revenue (Expenses)	**(2,080)**
Income (Loss) Before Capital Contributions and Transfers	**(516,594)**
Capital Contributions	
Grant revenues and capital contributions	581,841
Total Capital Contributions	**581,841**
Change in Net Position	**65,247**
NET POSITION - Beginning	**11,890,932**
NET POSITION - Ending	**$ 11,956,179**

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

CITY OF BOWLING GREEN, FLORIDA
STATEMENT OF CASH FLOWS - PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 1,882,753
Cash payments to suppliers	(782,580)
Cash payments to employees	(523,213)
Net cash provided (used) by operating activities	576,960
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Advances to other funds	(177,921)
Net cash provided (used) by noncapital financing activities	(177,921)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Interest paid on revenue borrowings and long-term direct borrowings	(24,288)
Principal payments on long-term debt	(209,102)
Proceeds from sale of capital assets	1,400
Capital expenditures	(567,406)
Net cash provided (used) by capital and related financing activities	(635,617)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income	20,808
Net cash provided (used) by investing activities	20,808
NET INCREASE (DECREASE) IN CASH	(215,770)
CASH AT BEGINNING OF YEAR	1,451,709
CASH AT END OF YEAR	**$ 1,235,939**
Cash	
Unrestricted	$ 746,945
Restricted	488,994
	$ 1,235,939
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:	
Operating income (loss)	$ (514,514)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Depreciation and amortization	867,160
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(1,770)
Increase (decrease) in accounts payable	221,409
Increase (decrease) in customer deposits payable	4,675
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	**$ 576,960**

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The City of Bowling Green (City) was incorporated in 1927 under the laws of Florida Chapter 12563-(758) and as amended in 1935 under the Laws of Florida Chapter 17496-(725). The present charter calls for a five-member City Commission, one of whom is elected Mayor by the Commission. The City is managed by a City Manager appointed by the Commission. Under the present charter, the City has the power to impose license taxes on occupations, to levy taxes on City property, and to levy charges for services as required for the improvement and government of the City. Services authorized to be provided under the present charter are as follows: public safety, streets and roads, sanitation, water and sewer, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. The City does not have any discretely presented component units.

During the 2016 fiscal year, the City established the City of Bowling Green Community Redevelopment Agency (CRA), which is comprised of a five member Board of Commissioners. The CRA is presented as a special revenue fund within the City's financial statements because: 1) the CRA substantively operates under the same body as the City through the City Commission which meets separately as the CRA's governing body to approve the adoption of their annual budget, the transactions of real property, and the execution of contracts and modifications to the community redevelopment plans; 2) the City Commission/CRA Board has operational responsibility of the CRA; and 3) the CRA provides an exclusive service or benefit to the City and its citizens. The CRA is responsible for carrying out the rehabilitation, conservation and redevelopment of the Community Redevelopment Plan. The related tax increment revenue is included in this Special Revenue Fund, all of which is restricted for the CRA.

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 activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for the governmental funds (General Fund and Special Revenue Fund) and the proprietary fund. The general fund and the enterprise fund are considered major funds and are presented as separate columns in the fund financial statements. The special revenue fund is reported as a non-major fund.

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Government-wide financial statements include a statement of net position and a statement of activities. The statement of net position reports all financial and capital resources

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION - CONTINUED

of the City's governmental activities. It is presented in a net position format (assets and deferred outflows less liabilities and deferred inflows equal net position) and shown with three components: net investment in capital assets, restricted net position and unrestricted net position. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following governmental funds

General Fund

The general fund is the City's general operating fund. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. From this fund, expenditures paid include general operating expenditures, fixed charges, and capital improvement costs not paid through other funds.

Special Revenue Fund

The CRA is the City's only special revenue fund. It accounts for the rehabilitation, conservation and redevelopment of certain slum or blighted areas of the City, included within the community redevelopment area. Financing is provided primarily through tax increment funding from the City and Hardee County. All amounts within this fund are restricted to CRA activities.

The government reports the following proprietary fund:

Enterprise Fund

The enterprise fund accounts for the operation of the City's water and sewer system, as well as sanitation services.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer fund and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION - CONTINUED

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

CASH AND INVESTMENTS

Florida Statute 218.415 authorizes the City to invest surplus funds in the following:

(a) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes.

(b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(c) Interest bearing time deposits or savings accounts in state-certified Qualified Public Depositories as defined in Section 280.02, Florida Statutes.

(d) Direct obligations of the U.S. Treasury.

All City bank accounts and certificates of deposit are with banking institutions that post collateral as required by state statutes (Qualified Public Depositories). As a result, all amounts which exceed FDIC insured limits are collateralized pursuant to Chapter 280 of the Florida statutes.

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, at September 30, 2024 the City only had demand deposits and time deposits.

RECEIVABLES AND PAYABLES

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources. There were no advances as of September 30, 2024.

All trade receivables are shown net of allowance for doubtful accounts.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

PROPERTY TAXES

Property taxes become due and payable on November 1st of each year. The county tax collector remits the City's portion as such revenues are received.

The City collects nearly all of its tax revenue during the period November 1 through April 1, at which time the property taxes become delinquent. The key dates in the property tax cycle are as follows:

Assessment roll validated	July 1
Millage resolution approved	September 30
Beginning of fiscal year for which taxes have been levied	October 1
Tax bills rendered and due	November 1
Property taxes payable:	
Maximum discount	November 30
Delinquent	April 1
Tax certificates sold	May 31

Property taxes are recognized as revenue in the fiscal year for which the taxes have been levied to the extent they result in current receivables. Under the system outlined above, no material amount of taxes is receivable after the end of the fiscal year.

RESTRICTED ASSETS

The following represent restricted resources of each fund:

General Fund
Cash in the General Fund is reserved for the following:

Police Department	$ 127

Special Revenue Fund
Cash held in the Special Revenue Fund is reserved for the following:

CRA activities	$ 13,647

Enterprise Fund
Restricted assets, provided for by ordinances adopted by the City for the issuance of the Sewer System Bonds, SRF loans, impact fees, and customer deposits are as follows:

Customer deposits	$ 122,060
Revenue bond retirement	53,321
Other debt retirement	59,713
Impact fees	253,900
Restricted assets	$ 488,994

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

CAPITAL ASSETS

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government- wide financial statements activities, and in the proprietary fund type statement of net position.

Capital assets are defined by the government as assets with an initial, individual cost of more than $500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The City has elected to report general infrastructure assets on a prospective basis only.

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

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

Assets	Years
Buildings and improvements	10 - 40
Infrastructure	20
Machinery and equipment	4 - 10

COMPENSATED ABSENCES

The City personnel policy provides for the payment of accrued vacation upon separation from its employees. A liability for this amount is recorded in the government-wide and proprietary fund financial statements. A liability for this amount is recorded in the governmental funds only if it has matured. The City also provides sick pay, which is not payable upon separation from the City and is not recorded as a liability. Compensated absences are liquidated out of the general fund and enterprise fund as applicable.

LONG-TERM OBLIGATIONS

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, during the current period. The face amount of debt issued is reported as other financing sources.

Premiums received on debt issuances are reported as other financing sources while 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 in the year the debt is issued in both the government-wide and fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

NET POSITION

Net position is reported in three parts as applicable: net investment in capital assets, restricted and unrestricted. When both restricted and unrestricted resources are available, restricted resources are used first, and then unrestricted resources, as they are needed.

FUND BALANCE

The City follows Governmental Accounting Standards Board (GASB) Statement No. 54 which established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications are Non-spendable and Spendable. Spendable is then further classified as Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance.

The City classified governmental fund balance as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Only the special revenue fund has non-spendable fund balance as of September 30, 2024 which pertains to a deposit for $125,000.

Spendable Fund Balance:

- Restricted - includes amounts that can be spent only for specific purposes because of State or Federal laws or enabling legislation, or which are externally restricted by providers, such as creditors or grantors.

- Committed - includes amounts that can be spent only for specific purposes that are approved by a formal action of the City Commission through a resolution or the budget process.

- Assigned - includes amounts designated for a specific purpose by the City Commission through a resolution or the budget process, which are neither restricted nor committed.

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

The City uses restricted amounts first when both restricted and unrestricted fund balance is available, unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending.

Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made. The City does not have a formal minimum fund balance policy.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

FUND BALANCE - CONTINUED

	General Fund	Special Revenue Fund
Non-spendable	$ -	$ 125,000
Spendable:		
Restricted to:		
Confiscated funds - Police Department	127	-
Community Redevelopment Agency	-	13,527
	127	13,527
Unassigned	1,076,109	-
Total Fund Balances	$ 1,076,236	$ 138,527

The entire fund balance of the Special Revenue Fund of $138,527 is restricted for the purposes of alleviating slum and blight in the City in accordance with Florida Statute 163.

INVENTORIES
Inventories are stated at the lower of cost or market as determined on the first in, first out method.

CASH AND CASH EQUIVALENTS
For purposes of the statement of cash flows, all highly liquid debt instruments purchased with a maturity of three months or less and certificates of deposit without significant withdrawal penalties are considered cash equivalents.

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

BUDGETARY INFORMATION
Annual budgets are adopted on a basis consistent with U.S. generally accepted accounting principles for the governmental funds. Expenditures should not exceed total appropriations. All annual appropriations lapse at fiscal year end. Any required budget amendments have to be approved by the City Commissioners through resolutions.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
In addition to liabilities, the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting in this category. On the statement of net position, governmental activities report a lease related inflow of resources which will be recognized as a lease revenue in future years.

NOTE 2 - DETAILED NOTES ON ALL FUNDS

Cash and Cash Equivalents

At September 30, 2024, the City's carrying amount of cash and cash equivalents was $2,004,544 and the bank balance was $2,048,653. The City also had certificates of deposit classified as cash equivalents in the amount of $625,732.

Receivables

Receivables as of September 30, 2024 for the government's funds in the aggregate, including the applicable allowance for uncollectible accounts, are as follows:

Receivables	General Fund	Enterprise Fund
Accounts receivable	$ 32,748	$ 161,170
Less: allowance for uncollectibles	-0-	22,000
Net total accounts receivables	$ 32,748	$ 139,170

Interfund receivables, payables, and transfers

Interfund balances as of September 30, 2024 were $221,733 were related to General Fund expenditures paid by the Enterprise Fund. There were no transfers made between the Enterprise Fund and the General Fund during the year ended September 30, 2024.

Lessor Lease Agreements

The City is engaged in two lease agreements allowing lessees to lease space on the City's water tower.

The first lease agreement commenced in 1998 and the agreement was revised effective November 1, 2022 for a term of five years. The agreement will automatically renew for three consecutive five (5) year periods. In July 2023, the agreement was modified to increase the premises area and increase the monthly rent by $300. The monthly rental revenue ranges from $3,500 to $3,809 over the total lease periods. After the basic rent period, the lessee may terminate the agreement with ninety (90) days prior written notice to the City for any or no reason.

The second lease agreement commenced in November 2022 with an initial lease term of five years with two additional five-year renewals. The lease, including all renewal periods, expires in October 2027 and monthly rental revenue ranges from $4,400 to $4,800 over the total lease periods.

Lease-related revenue recognized in the governmental activities for the year ended September 30, 2024 was as follows:

Lease expense	
Vehicles	$ 43,604
Total amoritzation expense	43,604
Interest on lease liabilities	23,777
Total lease expense	$ 67,381

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Lessor Lease Agreements - Continued

Expected future minimum reductions of the lease receivable are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 27,476	$ 23,032	$ 50,508
2026	28,311	22,197	50,508
2027	29,172	21,336	50,508
2028	26,874	20,488	47,362
2029	28,712	19,662	48,374
2030 - 2034	181,090	83,419	264,509
2035 - 2039	255,675	50,971	306,646
2040 - 2043	202,963	9,923	212,886
Total future payments	$ 780,273	$ 251,028	$ 1,031,301

Capital Assets

Capital asset activity for governmental activities for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated:					
Land	$ 510,393	-	-	-	$ 510,393
Construction in progress	91,689	748,494	-	-	840,183
Total capital assets, not being depreciated	602,082	748,494	-	-	1,350,576
Capital assets, being depreciated:					
Buildings and improvements	747,745	-	(48,568)	-	699,177
Infrastructure	889,205	191,902	-	-	1,081,107
Machinery and equipment	657,922	350,251	(66,878)	-	941,295
Total capital assets being depreciated	2,294,872	542,153	(115,446)	-	2,721,579
Less accumulated depreciation for:					
Buildings and improvements	(502,411)	(24,949)	48,568	-	(478,792)
Infrastructure	(242,557)	(76,074)	66,878	-	(251,753)
Machinery and equipment	(538,588)	(44,597)	-	-	(583,185)
Total accumulated depreciation	(1,283,556)	(145,620)	115,446	-	(1,313,730)
Total capital assets, being depreciated, net	1,011,316	396,533	-	-	1,407,849
Governmental activities capital assets, net	**$ 1,613,398**	**$1,145,027**	**$ -**	**$ -**	**$ 2,758,425**

Depreciation expense was charged to the City's governmental activities as follows:

General government	$ 27,368
Physical environment	63,673
Public safety	49,889
Culture and recreation	4,690
	$ 145,620

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Capital Assets - Continued

Lease activity for governmental activities for the year ended September 30, 2024 was as follows:

	Beginning Balance	Additions	Modifications and Remeasurements	Subtractions	Ending Balance
Lease assets					
Vehicles	$ 184,298	$ -	$ -	$ -	$ 184,298
Total lease assets	184,298	-	-	-	184,298
Less accumulated amortization					
Vehicles	(14,866)	(36,860)	-	-	(51,726)
Total capital assets being depreciated	(14,866)	(36,860)	-	-	(51,726)
Right-to-use assets	$ 169,432	$ (36,860)	$ -	$ -	$ 132,572

Capital asset activity for business-type activities for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, not being depreciated					
Land	$ 31,894	$ -	$ -	$ -	$ 31,894
Construction in progress	330,938	415,905	-	-	746,843
Total capital assets, not being depreciated	362,832	415,905	-	-	778,737
Capital assets, being depreciated					
Buildings and improvements	20,175,927	63,763	-	-	20,239,690
Machinery and equipment	1,183,887	87,738	-	-	1,271,625
Total capital assets being depreciated	21,359,814	151,501	-	-	21,511,315
Less accumulated depreciation for					
Buildings and improvements	(7,226,367)	(775,692)	-	-	(8,002,059)
Machinery and equipment	(460,638)	(91,468)	-	-	(552,106)
Total accumulated depreciation	(7,687,005)	(867,160)	-	-	(8,554,165)
Total capital assets being depreciated, net	13,672,809	(715,659)	-	-	12,957,150
Business-type activites capital assets, net	**$14,035,641**	**$ (299,754)**	**$ -**	**$ -**	**$13,735,887**

Depreciation expense was charged to the City's business-type activities as follows:

Water, sewer and sanitation	**$ 867,160**

Long-Term Liabilities

Direct Borrowing Note Payable - Governmental Activities

The City entered into a financing agreement with a commercial bank to purchase police equipment. The initial amount financed was $21,972, at an interest rate of 6.99%, with interest and principal to be paid in 5 annual payments beginning in March, 2021. Total principal outstanding and annual debt services is as follows:

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Direct Borrowing Note Payable - Governmental Activities - Continued

Year Ending September 30,	Principal	Interest	Total
2025	$ 5,027	$ 363	$ 5,390
	$ 5,027	$ 363	$ 5,390

Remedies upon default include a) termination of the agreement and the City's rights to the equipment; b) take possession of the equipment; c) enforce performance and recover damages; and d) declare all unpaid payments to be immediately due and payable.

Lease Liability - Governmental Activities

The City has entered into various lease agreements as a lessee for police vehicles.

The first lease agreement commenced in May 2023 for five police vehicles with a lease term of five years. The lease expires in April 2028 and requires monthly payments of $609. The lease liability is determined using a discount rate of 6.99%.

The second lease agreement commenced in June 2023 for a police vehicle with a lease term of five years. The lease expires in May 2028 and requires monthly payments of $585. The lease liability is determined using a discount rate of 6.99%.

Annual principal and interest on the leases is as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 35,016	$ 8,553	$ 43,569
2026	37,544	6,025	43,569
2027	40,253	3,315	43,568
2028	25,391	608	25,999
Total future payments	$ 138,204	$ 18,501	$ 156,705

Revenue Bonds - Business-type Activities

In 1984, 1993, 1995 and 1999, the City passed bond ordinances to provide for the issuance of Water and Sewer Revenue Certificates. At September 30, 2024, bonds outstanding are as follows:

Ordinance Year	Issue Date	Maturity Date	Interest Rate	Original Issue	Balance Outstanding
1984	06/11/85	09/01/24	5.0%	257,000	$ -
1993	09/01/94	09/01/33	4.5%	300,000	120,000
1995	09/13/92	09/01/35	4.5%	400,000	189,000
1999	02/10/99	09/01/38	4.5%	167,000	93,000
TOTAL					$ 402,000

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Revenue Bonds - Business-type Activities - Continued

The bonds are secured by the net revenue derived from the operations of the water and sewer system and require the use of a debt service fund, of which is included in restricted cash.

The 1984 bonds were paid in full as of September 30, 2024.

Total annual debt service requirements for the 1993 bonds as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 11,000	$ 6,000	$ 17,000
2026	12,000	5,450	17,450
2027	12,000	4,850	16,850
2028	13,000	4,250	17,250
2029	13,000	3,600	16,600
2030 - 2033	59,000	7,450	66,450
	$ 120,000	$ 31,600	$ 151,600

Total annual debt service requirements for the 1995 bonds as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 14,000	$ 8,505	$ 22,505
2026	14,000	7,875	21,875
2027	15,000	7,245	22,245
2028	15,000	6,570	21,570
2029	17,000	5,895	22,895
2030 - 2034	93,000	17,685	110,685
2035	21,000	945	21,945
	$ 189,000	$ 54,720	$ 243,720

Total annual debt service requirements for the 1999 bonds as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 5,000	$ 4,650	$ 9,650
2026	5,500	4,400	9,900
2027	5,500	4,125	9,625
2028	6,000	3,850	9,850
2029	6,000	3,550	9,550
2030 - 2034	34,500	12,925	47,425
2035 - 2038	30,500	3,675	34,175
	$ 93,000	$ 37,175	$ 130,175

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Notes Payable from Direct Borrowings - Business-type Activities

The City entered into a loan and grant agreement (WW250202) with the Florida Department of Environmental Protection through the State Revolving Fund. The total amount initially borrowed was $144,456, at an interest rate of 0.99%, with interest and principal to be paid in 40 semi-annual payments beginning March 15, 2015. During 2014, the City borrowed an additional $61,010 with an interest rate of 1.19%.

The debt obligation is secured by a pledge of the net revenues of the water and sewer systems. The total amount outstanding at September 30, 2024 was $85,982.

Total annual debt service requirements as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 7,864	$ 791	$ 8,655
2026	7,942	713	8,655
2027	8,021	635	8,656
2028	8,100	556	8,656
2029	8,180	476	8,656
2030 - 2034	45,875	1,151	47,026
	$ 85,982	$ 4,322	$ 90,304

During 2015, the City entered into a second loan and grant agreement (WW250204) with the Florida Department of Environmental Protection through the State Revolving Fund. The initial approved amount of the agreement was for $1,187,750, of which $833,451 was to be forgiven through the grant portion of the agreement. In 2016, the agreement was amended to reduce the approved amount to $871,777 of which $803,571 was to be forgiven. The total amount borrowed was $75,883, at an interest rate of 1.15%. The principal borrowed is required to be paid over 40 semi- annual payments. The debt obligation is secured by a pledge of the net revenues of the water and sewer system. The total amount outstanding at September 30, 2024 was $52,795.

Total annual debt service requirements as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 3,951	$ 596	$ 4,547
2026	3,996	550	4,546
2027	4,042	504	4,546
2028	4,089	458	4,547
2029	4,136	410	4,546
2030 - 2034	21,407	1,325	22,732
2035 - 2038	11,174	193	11,367
	$ 52,795	$ 4,036	$ 56,831

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Notes Payable from Direct Borrowings - Business-type Activities

During fiscal year 2017, the City entered into a third loan and grant agreement (WW250230) with the Florida Department of Environmental Protection through the State Revolving Fund. The initial approved amount of the agreement was for $553,000, of which $442,400 was to be forgiven through the grant portion of the agreement. The total amount borrowed was $119,075, at an interest rate of 0.47%. The principal borrowed is required to be paid over 40 semi-annual payments. The debt obligation is secured by a pledge of the net revenues of the water and sewer system. The total amount outstanding at September 30, 2024 was $83,519.

Total annual debt service requirements as of September 30, 2024 are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 6,006	$ 386	$ 6,392
2026	6,034	358	6,392
2027	6,063	329	6,392
2028	6,091	301	6,392
2029	6,120	272	6,392
2030 - 2034	31,036	924	31,960
2035 - 2038	22,169	203	22,372
	$ 83,519	$ 2,773	$ 86,292

During 2018, the City entered into a fourth loan and grant agreement (WW250231) with the Florida Department of Environmental Protection (FDEP) through the State Revolving Fund. The initial approved amount of the grant agreement was $5,768,851, of which $3,750,000 will be forgiven. The grant total was subsequently amended to $6,360,385.

The loan amount under the agreement was for $2,018,861, which was amended to $2,610,385. The total amount borrowed was $2,481,076, at an initial interest rate of 0%. The principal borrowed is required to be paid over 40 semi-annual payments beginning November 15, 2021. The debt obligation is secured by a pledge of the net revenues of the water and sewer system. The grant agreement with the FDEP includes grant forgiveness in addition to the loan. The total amount outstanding at September 30, 2024 was $2,044,337.

Total annual debt service requirements as of September 30, 2024 is as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 120,072	$ -	$ 120,072
2026	120,072	-	120,072
2027	120,072	-	120,072
2028	120,072	-	120,072
2029	120,072	-	120,072
2030 - 2034	600,360	-	600,360
2035 - 2039	600,360	-	600,360
2040 - 2041	243,257	-	243,257
	$ 2,044,337	$ -	$2,044,337

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Notes Payable from Direct Borrowings - Business-type Activities - Continued

During 2018, the City entered into a fifth loan and grant agreement (DW250250) with the Florida Department of Environmental Protection through the State Revolving Fund. The initial approved amount of the loan agreement was for $383,473 which was amended to $595,598. The total amount borrowed was $567,807, at an initial interest rate of 0.46%. The City also included service fees of $11,356 in the debt service requirement. The principal borrowed is required to be paid over 40 semi-annual payments beginning November 15, 2019. The debt obligation is secured by a pledge of the net revenues of the water and sewer system. The total amount outstanding at September 30, 2024 was $435,834.

Total annual debt service requirements are estimated based on proceeds received as of September 30, 2024 as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 28,126	$ 1,976	$ 30,102
2026	28,256	1,846	30,102
2027	28,386	1,716	30,102
2028	28,517	1,585	30,102
2029	28,648	1,454	30,102
2030 - 2034	145,234	5,276	150,510
2035 - 2039	148,667	1,757	150,424
	$ 435,834	$ 15,610	$ 451,444

For all five loans with the Florida Department of Environmental Protection through the State Revolving Funds, an event of default may subject the City to certain finance-related consequences such as:

- The Florida Department of Environmental Protection establishing rates and collecting fees and charges for the use of the Water and Sewer system and applying the revenues to the reduction of the debt obligation.

- Interception of delinquent amounts plus a penalty from any unobligated funds due to the City under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution.

- Imposing a penalty in an amount not to exceed an interest rate of 18 percent on amounts due in addition to charging the cost to handle and process the debt.

- Accelerating the repayment schedule or increasing the financing rate to as much as 1.667 times.

Loans under the City's State Revolving Funds describe events of default as failure to make required payments, failure of meeting covenants, representing to false or misleading statements in

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Notes Payable from Direct Borrowings - Business-type Activities - Continued

regards to the loan agreements, the City's appointment of a legal receiver of any part of the water and sewer system or gross revenues thereof, or any agreement with other creditors affecting the gross revenues of the water or sewer system.

The notes also require the use of a debt service fund, of which is included in restricted cash.

Total annual debt service requirements for all outstanding business-type activities and enterprise fund debt obligations as of September 30, 2024 are as follows:

Year Ending	Bonds		Notes from Direct Borrowings		Total	
September 30,	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 30,000	$ 19,155	$ 166,019	$ 3,749	$ 196,019	$ 22,904
2026	31,500	17,725	166,300	3,467	197,800	21,192
2027	32,500	16,220	166,584	3,184	199,084	19,404
2028	34,000	14,670	166,869	2,900	200,869	17,570
2029	36,000	13,045	167,156	2,612	203,156	15,657
2030 - 2034	186,500	38,060	843,912	8,676	1,030,412	46,736
2035 - 2039	51,500	4,620	782,370	2,153	833,870	6,773
2040 - 2041	-	-	243,257	-	243,257	-
	$ 402,000	$ 123,495	$2,702,467	$ 26,741	$3,104,467	$ 150,236

Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Direct borrowing note payable	$ 9,716	$ -	$ (4,689)	$ 5,027	$ 5,027
Lease liability	170,862	-	(32,658)	138,204	35,016
Long-term liabilities - Governmental	$ 180,578	$ -	$ (37,347)	$ 143,231	$ 40,043

NOTE 2 - DETAILED NOTES ON ALL FUNDS - CONTINUED

Long-Term Liabilities - Continued

Changes in long-term liabilities - Continued

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Direct obligations:					
Notes from direct borrowings,					
WW250202	$ 93,668	$ -	$ (7,686)	$ 85,982	$ 7,864
WW250204	57,077	-	(4,282)	52,795	3,951
WW250230	89,600	-	(6,081)	83,519	6,006
WW250231	2,164,410	-	(120,073)	2,044,337	120,072
WW250250	464,139	-	(28,305)	435,834	28,126
Total notes payable from direct borrowings	2,868,894	-	(166,427)	2,702,467	166,019
Revenue Bonds					
1984	14,215	-	(14,215)	-	-
1993	130,797	-	(10,797)	120,000	11,000
1995	201,753	-	(12,753)	189,000	14,000
1999	97,910	-	(4,910)	93,000	5,000
Total revenue bonds	444,675	-	(42,675)	402,000	30,000
Long-term liabilities - Business-type activities	$ 3,313,569	$ -	$ (209,102)	$ 3,104,467	$ 196,019

In the Statement of Activities, interest expense of $11,135 is included in Water and $13,153 is included in Sewer.

NOTE 3 - EMPLOYEE BENEFIT PLAN

The City adopted a defined contribution retirement plan, effective January 1, 1992 for all full-time employees over 21 years of age and twelve months of service with at least 1,000 service hours during the eligibility period. The name of the Plan is the City of Bowling Green Retirement Plan and the plan is administered by the Variable Annuity Life Insurance Company (VALIC), which is also the Trustee. The City Commission may amend the plan by giving the trustee written notification of such Amendments as adopted.

Benefit terms, including contribution requirements, for the Plan are established and may be amended by the City's Commission. City contributions to the plan are not fixed or guaranteed. During the year ended September 30, 2024, for each employee in the pension plan, the City contributed 3 percent of total annual salary, including overtime pay, to an individual employee account.

The plan requires employees hired after October 1, 2015 to contribute 3 percent of total annual salary and allows employees hired prior to October 1, 2015 to choose to contribute either 2 or 3 percent. In addition to the required contributions, employees are permitted to make contributions to the pension plan up to applicable Internal Revenue Code limits. For the year ended September 30, 2024, employee contributions totaled $24,645 and City contributions totaled $28,324.

NOTE 3 - EMPLOYEE BENEFIT PLAN - CONTINUED

Employees hired prior to October 1, 1997 become vested in the plan at 20% after two years of service with 100% vesting after six years of service for employees. For participants hired on or after October 1, 1997, vesting is 100% after ten years of service. Employees may also become 100% vested at retirement age (sixty-five) or in case of disability or death. Non-vested City contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended September 30, 2024, the City did not apply any available forfeitures towards the City's pension expense.

NOTE 4 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. There has been no significant reduction in coverage from the prior year. The City has not experienced any settlements in excess of coverage over the past three years.

NOTE 5 - CONTINGENCIES

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

The City is involved in litigation with various parties from time to time. The outcome of these matters cannot be determined at this time. The City vigorously defends these cases. The City's insurance carrier has also assigned legal counsel and is expected in the event of an unfavorable outcome, that all claims will be assumed by the City's insurance carrier. As a result, no liability has been recorded in these financial statements. However, it is at least reasonably possible that additional liabilities could result in the near term.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BOWLING GREEN, FLORIDA
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GAAP BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance from Final Budget
Revenues				
Taxes	$ 608,693	$ 608,693	$ 659,571	$ 50,878
Fines and forfeitures	26,000	26,000	37,054	11,054
Intergovernmental revenue	584,167	584,167	601,961	17,794
Franchise fees	112,000	112,000	117,067	5,067
Licenses and permits	11,400	11,400	11,553	153
Grants	916,611	916,611	670,115	(246,496)
Interest	1,300	1,300	7,789	6,489
Miscellaneous	173,906	173,906	169,893	(4,013)
Total Revenues	2,434,077	2,434,077	2,275,003	(159,074)
Expenditures				
General government	474,754	474,754	551,477	(76,723)
Public safety	794,890	794,890	1,037,885	(242,995)
Culture and recreation	853,589	853,589	800,585	53,004
Physical environment	350,590	350,590	349,230	1,360
Debt service	-	-	5,390	(5,390)
Total Expenditures	2,473,823	2,473,823	2,744,567	(270,744)
Excess of Revenues Over (Under) Expenditures Before Other Financing Sources (Uses)	(39,746)	(39,746)	(469,564)	(429,818)
Other Financing Sources (Uses)				
Transfers in	77,289	77,289	-	(77,289)
Total other financing sources (uses)	77,289	77,289	-	(77,289)
Net Change in Fund Balances	37,543	37,543	(469,564)	(429,777)
Fund Balance - Beginning	1,545,800	1,545,800	1,545,800	-
Fund Balance - Ending	$ 1,583,343	$ 1,583,343	$ 1,076,236	$ (429,777)

Note 1-Budget Basis
The general fund budget is presented on a basis consistent with U.S. generally accepted accounting principles.

Note 2 - Expenditures Over Appropriations
General fund expenditures exceeded appropriations for the year ended September 30, 2024 by $270,744.

OTHER SUPPLEMENTARY INFORMATION

CITY OF BOWLING GREEN, FLORIDA
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL - GAAP BUDGETARY BASIS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Original Budget	Final Budget	Actual	Variance from Final Budget
REVENUES				
Taxes	$ 97,032	$ 97,032	$ 143,378	$ 46,346
Grants	-	-	-	-
Interest	-	-	59	59
Miscellaneous	-	-	-	-
Total Revenues	**97,032**	**97,032**	**143,437**	**46,405**
EXPENDITURES				
Culture and recreation	224,516	224,516	221,750	2,766
Total Expenditures	**224,516**	**224,516**	**221,750**	**2,766**
Net Change in Fund Balances	(127,484)	(127,484)	(78,313)	49,171
Fund Balance - Beginning	216,840	216,840	216,840	-
Fund Balance - Ending	**$ 89,356**	**$ 89,356**	**$ 138,527**	**$ 49,171**

Note 1-Budget Basis
The special revenue fund budget is presented on a basis consistent with U.S. generally accepted accounting principles.

CITY OF BOWLING GREEN, FLORIDA
GENERAL FUND
DETAIL SCHEDULE OF REVENUE
BUDGET AND ACTUAL - GAAP BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2024

	Final Budget	Actual	Variance
Ad Valorem taxes	$ 353,051	$ 367,910	$ 14,859
Fuel taxes	6,000	12,231	6,231
Utility taxes	170,000	192,878	22,878
Gas taxes	43,206	40,425	(2,781)
Communications service tax	36,436	46,127	9,691
Franchise fees	112,000	117,067	5,067
Occupational licenses	10,500	10,127	(373)
State revenue sharing	185,026	203,346	18,320
Mobile home license	700	975	275
State beverage license	200	451	251
1/2 Cent sales tax	112,923	112,694	(229)
1 Cent surtax	283,718	284,110	392
State gas tax rebate	2,500	1,811	(689)
Grants	916,611	670,115	(246,496)
Fines and forfeitures	26,000	37,054	11,054
Interest income	1,300	7,789	6,489
Rents	57,400	58,412	1,012
Miscellaneous revenue	93,000	89,113	(3,887)
Proceeds from sale of equipment	3,000	-	(3,000)
Cemetery income	10,000	22,368	12,368
D.O.T. highway lighting	10,506	-	(10,506)
Total Revenues	**$ 2,434,077**	**$ 2,275,003**	**$ (159,074)**

CITY OF BOWLING GREEN, FLORIDA
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL -GAAP BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2024

	Final Budget	Actual	Variance
Legislative & Executive			
Salaries	$ 19,200	$ 19,200	$ -
Total Legislative & Executive	**19,200**	**19,200**	-
Administrative			
Administrative salaries	170,066	188,058	(17,992)
Payroll tax	14,479	14,976	(497)
Employee insurance	34,922	32,140	2,782
Retirement contributions	9,087	7,764	1,323
Workers compensation	7,000	7,947	(947)
Contract operators	-	8,461	(8,461)
Uniforms	900	900	-
Professional fees	106,000	105,823	177
Telephone	4,500	5,289	(789)
Utilities	5,000	4,299	701
Other insurance	10,800	15,295	(4,495)
Repairs and maintenance	4,000	21,165	(17,165)
Building improvements	6,000	8,477	(2,477)
Miscellaneous expense	11,000	32,672	(21,672)
Office supplies	2,500	2,650	(150)
Gas and oil	3,000	3,439	(439)
Comprehensive plan	10,000	15,000	(5,000)
Rent	9,500	9,424	76
Dues and subscriptions	6,000	7,189	(1,189)
Advertising	8,000	14,506	(6,506)
Training	6,000	18,518	(12,518)
New equipment	16,000	7,726	8,274
Shipping and postage	800	559	241
Contingency	10,000	-	10,000
Total Administrative	**455,554**	**532,277**	**(76,723)**
Law Enforcement			
Salaries	462,500	480,035	(17,535)
Payroll taxes	35,381	33,175	2,206
Employee insurance	81,484	77,276	4,208
Workers compensation	19,000	17,211	1,789
Retirement contributions	19,125	16,717	2,408
Uniforms	6,000	5,101	899
Professional fees	-	1,220	(1,220)
Telephone	8,000	8,239	(239)
Utilities	1,600	1,703	(103)
Insurance	10,800	15,295	(4,495)
Repairs and maintenance	20,000	62,477	(42,477)
Miscellaneous expense	8,500	7,757	743
Office supplies	1,500	1,259	241
Contract Labor	2,000	2,285	(285)
Dispatch Center	15,200	-	15,200
Dog pound	4,000	12,570	(8,570)
Gas and oil	25,000	34,849	(9,849)
Operating supplies	6,400	4,440	1,960
Shipping and postage	100	676	(576)
New equipment	64,800	253,580	(188,780)
Training	3,500	2,020	1,480
Total Law Enforcement	**794,890**	**1,037,885**	**(242,995)**

CITY OF BOWLING GREEN, FLORIDA
GENERAL FUND
DETAIL SCHEDULE OF EXPENDITURES
BUDGET AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2024

	Final Budget	Actual	Variance
Recreation			
Contribution to recreation center	$ 8,778	$ -0-	$ 8,778
Contract labor	3,000	3,293	(293)
Utilities	7,500	8,083	(583)
Repairs and maintenance	3,000	1,611	1,389
Miscellaneous expense	9,000	28,280	(19,280)
EDA capital outlay	821,211	755,350	65,861
Community center	1,000	3,229	(2,229)
Operating supplies	100	739	(639)
Total Recreation	**853,589**	**800,585**	**53,004**
Physical Environment			
P/E salaries	65,500	72,648	(7,148)
FICA tax	4,973	5,472	(499)
Retirement contributions	995	238	757
Employee insurance	34,922	21,427	13,495
Workers compensation	7,000	7,947	(947)
Contract labor	-	8,186	(8,186)
Uniforms	900	794	106
Other insurance	10,800	15,295	(4,495)
Repairs & maintenance	5,000	21,674	(16,674)
Miscellaneous expense	1,500	2,376	(876)
Gas & oil	9,000	15,675	(6,675)
Rent	24,000	14,731	9,269
Operating supplies	1,500	1,122	378
New equipment	120,000	94,165	25,835
Streets & roads	20,000	16,139	3,861
Utilities	44,500	50,952	(6,452)
Office supplies	-	389	(389)
Total Physical Environment	**350,590**	**349,230**	**1,360**
Debt service	-	**5,390**	**(5,390)**
Total Expenditures	**$ 2,473,823**	**$ 2,744,567**	**$ (270,744)**

CITY OF BOWLING GREEN, FLORIDA
ENTERPRISE FUND
DETAIL SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL
NON-GAAP BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2024

	Final Budget	Actual	Variance
Operating Revenues			
Water charges	$ 561,552	$ 613,314	$ 51,762
Sewer charges	629,052	781,638	152,586
Sanitation charges	415,000	445,064	30,064
Penalties, late fees and miscellaneous	30,500	39,832	9,332
Total Operating Revenues	1,636,104	1,879,848	243,744
Operating Expenses			
Water Department	639,206	643,913	(4,707)
Sewer Department	548,414	587,733	(39,319)
Sanitation Department	245,714	295,556	(49,842)
Total Operating Expenses	1,433,334	1,527,202	(93,868)
Non-Operating Revenues (Expenses)			
Interest income	10,000	20,808	10,808
Other non-operating expense	-	1,400	1,400
Principal and interest expense	(235,253)	(233,390)	1,863
Total Non-Operating Revenues (Expenses)	(225,253)	(211,182)	14,071
Capital Contributions and Transfers			
Grant revenue	15,900,800	581,841	(15,318,959)
Grant expense	(15,876,489)	(586,360)	15,290,129
Transfers In (Out)	-	-	-
Total Capital Contributions	24,311	(4,519)	(28,830)
Change in Net Position	$ 1,828	$ 136,945	$ 135,117

Adjustments to GAAP Basis	
Non-Budgeted depreciation and amortization	(867,160)
Non-GAAP basis principal payments	209,102
Grant expenses recognized as capital asset additions	586,360
GAAP Change in Net Position	$ 65,247

CITY OF BOWLING GREEN, FLORIDA
ENTERPRISE FUND
DETAIL SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
NON-GAAP BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance
Water Department			
Salaries	$ 113,550	124,001	$ (10,451)
Payroll tax	8,687	9,181	(494)
Employee insurance	34,922	31,166	3,756
Workers compensation	7,000	7,947	(947)
Retirement contributions	3,347	2,002	1,345
Contract operators	220,000	196,661	23,339
Professional fees	51,600	83,053	(31,453)
Telephone	2,000	2,027	(27)
Utilities	81,300	44,944	36,356
Liability insurance	10,800	15,295	(4,495)
Repairs and maintenance	60,000	42,498	17,502
Rent	16,000	15,378	622
Miscellaneous	16,000	55,495	(39,495)
Uniforms	900	937	(37)
Postage	2,000	1,869	131
Office supplies	500	26	474
Gas and oil	5,000	2,802	2,198
Dues and subscriptions	600	623	(23)
Materials and supplies	4,000	6,227	(2,227)
Meter expense	1,000	-	1,000
Equipment	-	1,781	(1,781)
Total Water Department	**$ 639,206**	**$ 643,913**	**$ (4,707)**
Sewer Department			
Contract operators	$ 350,000	$ 390,826	$ (40,826)
Professional fees	26,000	33,066	(7,066)
Sludge hauling	25,000	25,000	-
Effluent line	35,000	24,864	10,136
Telephone	2,000	1,718	282
Permitting	500	-	500
Utilities	43,000	44,691	(1,691)
Liability insurance	10,800	15,295	(4,495)
Repairs and maintenance	49,914	48,026	1,888
Miscellaneous	500	556	(56)
Postage	1,500	1,869	(369)
Office supplies/ expense	-	-	-
Gas and oil	3,000	1,355	1,645
Materials and supplies	1,200	467	733
Total Sewer Department	**$ 548,414**	**$ 587,733**	**$ (39,319)**

CITY OF BOWLING GREEN, FLORIDA
ENTERPRISE FUND
DETAIL SCHEDULE OF EXPENSES
BUDGET AND ACTUAL
NON-GAAP BUDGETARY BASIS
YEAR ENDED SEPTEMBER 30, 2024

	Budget	Actual	Variance
Sanitation Department			
Salaries	$ 83,772	$ 109,186	$ (25,414)
Payroll tax	6,386	7,885	(1,499)
Employee insurance	11,641	24,349	(12,708)
Workers compensation	5,000	7,947	(2,947)
Retirement contributions	1,459	1,603	(144)
Contract operators	-	1,133	(1,133)
Professional fees	26,000	33,066	(7,066)
Telephone	500	592	(92)
Liability insurance	7,556	15,295	(7,739)
Repairs and maintenance	2,500	5,838	(3,338)
Landfill	78,000	68,434	9,566
Miscellaneous	1,600	1,234	366
Uniforms	300	348	(48)
Gas and oil	6,500	8,218	(1,718)
Rent	8,000	8,538	(538)
Materials and supplies	1,500	1,065	435
Equipment	5,000	825	4,175
Total Sanitation Department	**$ 245,714**	**$ 295,556**	**$ (49,842)**

CITY OF BOWLING GREEN, FLORIDA
ENTERPRISE FUND
DETAIL SCHEDULE OF EXPENSES BY DEPARTMENT
NON-GAAP BUDGET BASIS
YEAR ENDED SEPTEMBER 30, 2024

	WATER	SEWER	TOTAL WATER & SEWER	SANITATION	TOTAL
Salaries	$ 124,001	$ -	$ 124,001	$ 109,186	$ 233,187
Payroll tax	9,181	-	9,181	7,885	17,066
Employee insurance	31,166	-	31,166	24,349	55,515
Workers compensation	7,947	-	7,947	7,947	15,894
Retirement contributions	2,002	-	2,002	1,603	3,605
Contract operators	196,661	390,826	587,487	1,133	588,620
Professional fees	83,053	33,066	116,119	33,066	149,185
Sludge hauling	-	25,000	25,000	-	25,000
Effluent line	-	24,864	24,864	-	24,864
Telephone	2,027	1,718	3,745	592	4,337
Permitting	-	-	-	-	-
Utilities	44,944	44,691	89,635	-	89,635
Liability insurance	15,295	15,295	30,590	15,295	45,885
Repairs and maintenance	42,498	48,026	90,524	5,838	96,362
Rent	15,378	-	15,378	8,538	23,916
Landfill	-	-	-	68,434	68,434
Miscellaneous	55,495	556	56,051	1,234	57,285
Uniforms	937	-	937	348	1,285
Postage	1,869	1,869	3,738	-	3,738
Office supplies	26	-	26	-	26
Gas and oil	2,802	1,355	4,157	8,218	12,375
Dues and subscriptions	623	-	623	-	623
Materials and supplies	6,227	467	6,694	1,065	7,759
Meter expense	-	-	-	-	-
Equipment	1,781	-	1,781	825	2,606
	$ 643,913	**$ 587,733**	**$ 1,231,646**	**$ 295,556**	**$ 1,527,202**

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*

SCHEDULE OF FINDINGS

MANAGEMENT LETTER

MANAGEMENT'S RESPONSE TO AUDIT FINDINGS

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

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*

To the Honorable Mayor and City Commission
City of Bowling Green, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bowling Green, Florida, (City) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated January 15, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings as items 2024-01 and 2024-02 that we consider to be material weaknesses.

BRADENTON 1001 3rd Avenue West, Suite 700 Bradenton, FL 34205 ph 941.748.1040
SARASOTA 1515 Ringling Boulevard, Suite 900 Sarasota, FL 34236 ph 941.954.4040
TAMPA 101 East Kennedy Boulevard, Suite 1460 Tampa, FL 33602 ph 813.490.4490
WWW.CSLCPA.COM

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings as items 2024-03 and 2024-04.

The City's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



CS&L CPAs, P.A.

January 15, 2025
Bradenton, Florida

2024-01 Year End Adjustments

Finding 2024-01 is carried forward from Findings 2023-01, 2022-01 and 2021-01.

Criteria: Internal controls over financial reporting should ensure that financial statements properly present the net position, fund equity and activities of the City in accordance with accounting principles generally accepted in the United States of America. This would include ensuring that all transactions are properly reflected in the financial statements presented for audit.

Condition: During our audit, various audit adjustments were required in order to properly present the financial statements in accordance with generally accepted accounting principles.

Content/Cause: Audit procedures identified various adjustments that were required to be reflected in the City's financial statements. This included adjustments to correct fund balance/net position; adjust grant activity, including grant receivables, unearned revenue, revenues and expenses; accounts payable; long-term debt and related service costs; and tax and franchise revenues and receivables.

Effect: The City did not present financial statements in accordance with generally accepted accounting principles prior to the proposed adjustments.

Recommendation: We recommend that the City establish internal controls over financial reporting to ensure that all material accounts are reconciled and adjusted on a regular basis in accordance with accounting principles generally accepted in the United States of America.

2024-02 Utility Billing

Finding 2024-02 is carried forward from Finding 2023-02.

Criteria: Internal controls over utility billing should ensure that billing rates for both water and sewer charges are being calculated in agreement with the City's current approved rate schedule and that all rates and surcharges are properly included in monthly customer billings.

Condition: During our audit, we noted that the City's rates for both water and sewer were not being calculated in accordance with the City's current approved rate schedule.

Content/Cause: Audit procedures identified that water and sewer charges were not updated correctly in the utility billing system in accordance with the City's current approved rate schedule.

Effect: The City did not properly charge for water and sewer services.

Recommendation: We recommend that the City establish internal controls over utility billing to ensure that the approved rates for both water and sewer are being properly input at the effective date, and that all charges are properly included in customer billings.

2024-03 Budget

Criteria: In accordance with Florida Statutes, the governing body of the City shall annually adopt and maintain an operating budget. This budget should be a balanced budget whereby there are adequate resources to fund all budgeted appropriations. In addition, expenditures should not exceed appropriations as authorized by the Commission.

Condition: As reported in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual – General Fund – GAAP Budgetary Basis, the City's general fund actual expenditures exceeded final budgeted expenditures in the amount of $270,744. The excess was funded through reserves.

Content/Cause: The final budget was not amended to consider additional expenditures incurred during the year in excess of appropriated budgeted amounts.

Effect: The City reported expenditures in excess of budget of $270,745.

Recommendation: The fundamental purpose of budgetary control is to develop a financial plan and then maintain operations according to the plan. We recommend that the City review actual expenditures in comparison with the approved budget on a regular basis, and amend the budget pursuant to Florida Statutes, to ensure that expenditures do not exceed appropriations as the budget serves as the Board's authorization to incur costs.

2024-04 Transparency

Criteria: In accordance with Florida Statutes 166.241(3), the City is required to post the final adopted budget on the City's website with 30 days after adoption and it should remain on the website to at least two years.

Condition: During our audit, we noted that the final adopted budget for the City's 2023-24 fiscal year was not posted to the City's website.

Content/Cause: Audit procedures identified that the final adopted budget for the City's 2023-24 fiscal year was not posted to the City's website.

Effect: The City did not post the final adopted budget to the City's website.

Recommendation: We recommend that the City establish a policy that ensure the final adopted budget is posted on the City's website pursuant to Florida Statutes.

MANAGEMENT LETTER

To the Honorable Mayor and City Commission
City of Bowling Green, Florida

Report on the Financial Statements
We have audited the financial statements of the City of Bowling Green, Florida (City), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 15, 2025.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards,* Schedule of Findings, 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 January 15, 2025, 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. Finding 2024-01 is a continuation of Finding 2023-01, 2022-01 and 2021-01. Finding 2024-02 is a continuation of Finding 2023-02.

Official Title and Legal Authority
Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements.

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

BRADENTON 1001 3rd Avenue West, Suite 700 Bradenton, FL 34205 ph 941.748.1040
SARASOTA 1515 Ringling Boulevard, Suite 900 Sarasota, FL 34236 ph 941.954.4040
TAMPA 101 East Kennedy Boulevard, Suite 1460 Tampa, FL 33602 ph 813.490.4490
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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. These recommendations are included in the Schedule of Findings.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the City's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information for a Dependent Special District

Information required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General is reported in the City of Bowling Green Community Redevelopment Agency's audited financial statements.

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 fraud, waste 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 have any such findings.

Purpose of this Letter

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

CS&L CPAs

CS&L CPAs, P.A.

January 15, 2025
Bradenton, Florida

Pamela Durrance, City Manager
Bonnie Carrillo, City Clerk

Gerald Buhr, City Attorney
John Scheel, Police Chief

CITY OF

104 East Main Street
Bowling Green, FL 33834

BOWLING GREEN

PHONE: 863-375-2255
FAX: 863-375-3362
https://www.bowlinggreenfl.org

February 25, 2025
State of Florida
Office of the Auditor General
P.O. Box 1735
Tallahassee, FL 32302-1735

To Whom It May Concern:

The City of Bowling Green has received its annual audit for the 2023/2024 fiscal year and provides the following responses regarding the noted findings:

2024-01 Year-End Adjustments

Corrective Action Plan:

- The City of Bowling Green has undergone changes in management during this period, including the City Manager, Finance Director, and City Clerk. The current management team is committed to strengthening financial oversight and ensuring timely reconciliation and adjustments.
- To achieve this, we will implement a **monthly closing checklist** to enhance accountability and streamline financial processes.
- Additionally, we are implementing **internal controls** to improve financial management, ensure accuracy, and enhance overall transparency.

2024-02 Utility Billing

Corrective Action Plan:

- The City has corrected this issue, ensuring all water and sewer rates are now properly updated in the system.
- Moving forward, the City will conduct regular monitoring of the utility billing system to verify accuracy and alignment with the approved rate schedule.
- Routine audits and system checks will be performed to prevent future discrepancies and ensure compliance.

COMMISSIONERS: Sam Fite, Mayor, N'Kosi Jones, Vice Mayor, David Durastanti, Cliff Lunn, Francisco Arreola

2024-03 Budget

Corrective Action Plan:

- The City will implement a structured budget review process to closely monitor expenditures against appropriations.
- Budget amendments will be introduced as necessary to reflect additional expenditures and maintain compliance with Florida Statutes.

2024-04 Transparency

Corrective Action Plan:

- The final adopted budget was posted to the City's website within the required timeframe. However, due to ongoing website issues, accessibility may have been temporarily impacted.
- The City is currently reconstructing its website to ensure all public records, including the budget, remain accessible.
- Once website improvements are completed, all required documents will be reviewed and re-uploaded as necessary.
- Routine website checks will be implemented to maintain functionality and ensure compliance with Florida Statutes.

The City of Bowling Green remains committed to financial compliance, transparency, and accountability. Please feel free to contact our office with any questions or concerns.

Sincerely,

Pamela Durrance
City Manager
City of Bowling Green

INDEPENDENT ACCOUNTANT'S REPORT ON INVESTMENT COMPLIANCE

To the Honorable Mayor and City Commission
City of Bowling Green, Florida

We have examined the City of Bowling Green, Florida's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the City complied in all material respects, with the specified requirements for the year ended September 30, 2024.

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

CS&L CPAs

CS&L CPAs, P.A.

January 15, 2025
Bradenton, Florida

BRADENTON 1001 3rd Avenue West, Suite 700 Bradenton, FL 34205 ph 941.748.1040
SARASOTA 1515 Ringling Boulevard, Suite 900 Sarasota, FL 34236 ph 941.954.4040
TAMPA 101 East Kennedy Boulevard, Suite 1460 Tampa, FL 33602 ph 813.490.4490
WWW.CSLCPA.COM