

CITY OF
SANFORD
FLORIDA

City of Sanford, Florida

Annual Comprehensive Financial Report

For the fiscal year ended September 30, 2025

CITY OF SANFORD, FLORIDA

Annual Comprehensive Financial Report

For the fiscal year ended

September 30, 2025

(With Independent Auditors' Report Thereon)

Prepared by:
Department of Finance



CITY OF
SANFORD
FLORIDA

CITY OF SANFORD, FLORIDA
Annual Comprehensive Financial Report
Year Ended September 30, 2025

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INTRODUCTORY SECTION:

This section contains the following subsections:

- LETTER OF TRANSMITTAL
- ORGANIZATION CHART
- PRINCIPAL OFFICIALS
- CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

CITY OF SANFORD
FINANCE DEPARTMENT

April 30, 2026

To the Honorable Mayor, City Commission
and the Citizens of the City of Sanford, Florida:

It is with great pleasure that we present the City's Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2025. State law requires that all general-purpose local governments publish within 9 months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed Certified Public Accountants.

The report consists of management's representations concerning the finances of the City. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of our financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City's financial statements have been audited by Forvis Mazars, LLP, a firm of licensed Certified Public Accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended September 30, 2025 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis

Art Woodruff, Mayor | Sheena Britton, District 1 | Kerry Wiggins, Sr., District 2 | Patrick Austin, District 3 | Claudia Thomas, District 4 | Norton N. Bonaparte, Jr., City Manager

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("MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

Profile of the City

Sanford is located in Central Florida in Seminole County, one of the fastest growing counties in the nation. Nicknamed "Celery City" for its agricultural interest in the early 1900's, Sanford was incorporated in 1877 under the direction of General Henry Shelton Sanford. When Seminole County split from neighboring Orange County in 1913, the City of Sanford was named as the County Seat. Sanford is bounded in the East by Orlando-Sanford International Airport, in the North by Lake Monroe, in the West by Interstate 4, and in the South by Seminole State College and the City of Lake Mary. The Sanford Commercial District was proclaimed a historic district and placed on the National Register in 1976. The Sanford Residential Historic District, an area of approximately 76 blocks south of the commercial district, was placed on the National Register in 1989. The St. James African Methodist Episcopal Church, erected in 1913, was designated a historic landmark in May, 1990.

A charter city, the legislative branch is composed of four single-district elected Commissioners and a citywide elected Mayor. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the commission-appointed City Manager. To effectively execute these policies, the City Commission adopted a strategic plan, presented by the City Manager. The vision encompassed the following five major goals:

1. High Performing and Competent Government.
2. Community Safety and Well-being.
3. Preparing for Future/Sustainability.
4. Functional and Updated Infrastructure
5. Financial Stewardship.

Additionally, the Commission has adopted a comprehensive plan, along with land development regulations, and various master plans. The City has established departmental work plans geared toward realizing the vision set forth in the strategic plan. The City is working cooperatively with Seminole County, Seminole County School Board and other area agencies in a cooperative effort to maximize the opportunities and minimize negative impacts of regional growth.

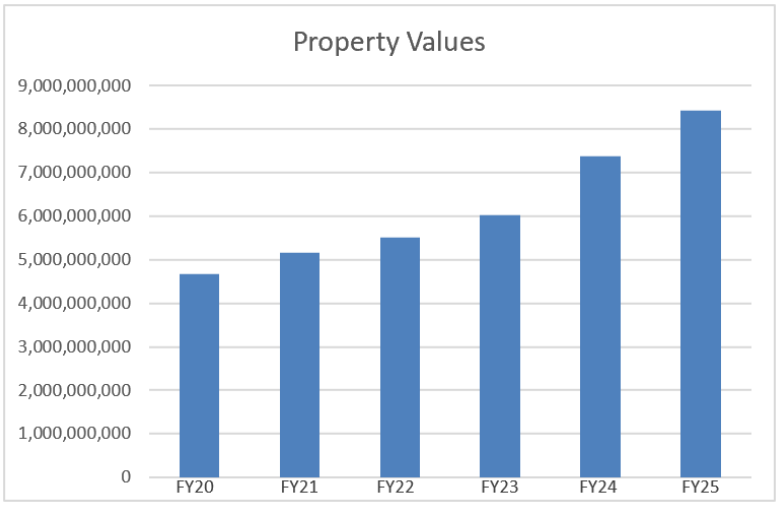
The City provides a full range of services, including police, fire and rescue, street construction and maintenance, planning and zoning, building inspections, community and economic development, parks and recreation, cultural events, and general administrative services. In addition, water, sewer and reclaimed water services, stormwater management and solid waste collection are provided under an enterprise fund concept with user charges established by the City Commission to ensure adequate coverage of operating expenses and payments on outstanding debt. The City is also accountable for two legally separate component units: the Sanford Airport Authority and Community Redevelopment Agency, which are presented as component units of the City.

The annual budget serves as the foundation for the City's financial planning and control. The budget is developed by the City Manager who is required by the Charter to present the proposed budget to the City Commission for review on or before July 1. The City Commission is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City's fiscal year. Interim financial reports include budget-to-actual comparisons, current to prior year comparisons, and are generally issued quarterly. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when it is considered from the perspective of the specific environment within which the City operates.

Local Economy. According to the U.S. Bureau of Labor Statistics, unemployment in Seminole County averaged 3.6% during the fiscal year ended September 30, 2025, which is an increase over the same average rate of 3.2% in the prior year.



From FY 2020 to FY 2025, the City's property values increased from $5.15 billion to $8.7 billion, a gain of $3.5 billion (69%) in property values and the City's economy is improving. The City's next fiscal year budget (2026) is based on preliminary values of $9.35 billion, which is a 7.62% increase from the fiscal year ended September 30, 2025.

Major ad valorem taxpayers in the City include Florida Power & Light Co. and the Seminole Towne Center Mall (Seminole Mall Realty Holding, LLC). The City's population is currently estimated to be 68,136, making it the largest city in Seminole County as well as the 59th largest city in the State of Florida. Population is a factor used in determining the City's distribution from the State Municipal Revenue Sharing Program.

The Sanford Waterfront/Downtown Community Redevelopment Area was created in 1995 with the purpose of using tax revenues in the downtown district to revitalize the area. Since that time considerable funds have been expended to upgrade public infrastructure, including the $12 million for the RiverWalk, the First Street Streetscape and a number of grant programs to encourage local property owners and businesses to rehabilitate downtown buildings. The success of these ventures has been evident in the number of new businesses, especially restaurants opening in the downtown area and the rediscovery of downtown Sanford by the Central Florida public.

Long-term Financial Planning. Through the budget process, the City Commission has continued its commitment to maintaining or improving levels of service while enhancing the quality of life and promoting the health, safety, and welfare of its citizens. Several projects are anticipated, many via non-operating funding sources; additionally, several additional projects are in the planning or construction phase:

- Station 32 Training Lot
- Covered Parking Area at the Public Safety Complex
- City Hall 2nd Floor renovations
- Public Works Operational Building
- Continued improvements to parks, roads, sidewalks and drainage
- Main Water Treatment Plant Improvements for 1.4 Dioxane
- Design and Construction of WTP No. 3
- Expansion of South Water Reclamation facility

An analysis of future projects and services may be best obtained via review of the City's comprehensive plan, currently being updated. Upon completion, this plan will outline the goals, objectives and anticipated projects of the City and mechanisms for realization of such.

Relevant Financial Policies

The City Commission has informally established a reserve requirement for the General Fund to maintain at a minimum, unassigned fund balance equal to fourteen (14%) of the annual General Fund budget.

Awards

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report (ACFR) for the fiscal year ended September 30, 2024. This was the 36th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the efficient and dedicated services of the Financial Services Team. We would also like to express our appreciation to our auditing firm, Forvis Mazars, LLP.

Finally, we would like to acknowledge the Mayor and City Commission for their unfailing support and steadfast commitment to maintaining the financial integrity of the City. With their continued leadership, the City can look forward to a secure financial future.

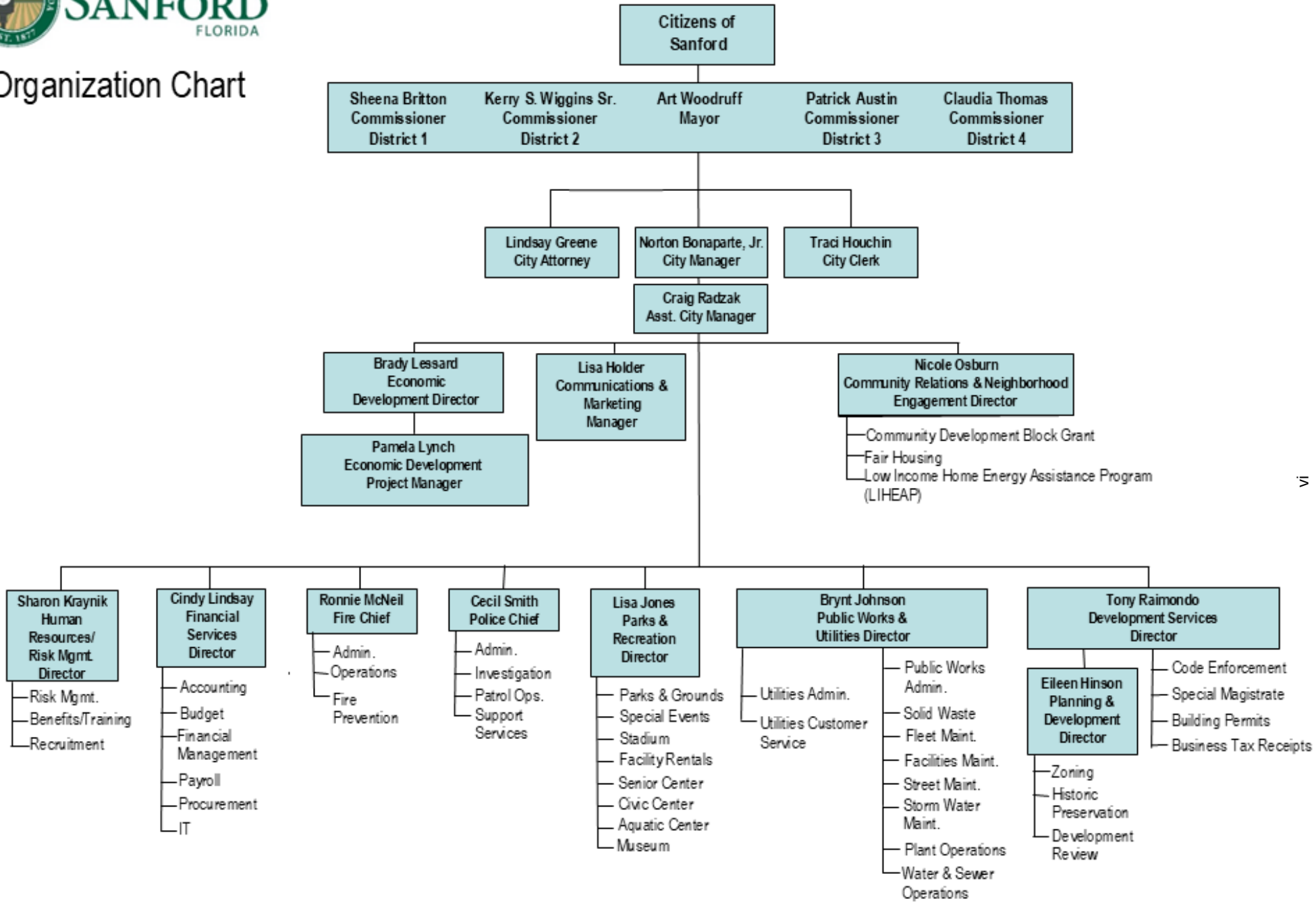
Respectfully submitted,

Norton N. Bonaparte, Jr.
City Manager

Cynthia Lindsay
Director of Finance

CITY OF SANFORD FLORIDA

Organization Chart



CITY OF SANFORD, FLORIDA

PRINCIPAL OFFICIALS

Year Ended September 30, 2025

MAYOR

Art Woodruff

COMMISSIONERS

Sheena Britton

Kerry Wiggins, Sr.

Patrick Austin

Claudia Thomas

STAFF

Norton N. Bonaparte, Jr., City Manager
Craig Radzak, Assistant City Manager
Cynthia Lindsay, Director of Finance
Traci Houchin, City Clerk
Anthony Raimondo, Director of Development Services
Brady Lessard, Director of Economic Development
Sharon Kraynik, Director of Human Resources
Lisa Jones, Director of Parks and Recreation
Craig Radzak, Acting Director of Public Works and Utilities
Cecil E. Smith, Police Chief
Ronnie McNeil, Fire Chief

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Sanford
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION:

This section contains the following subsections:

- INDEPENDENT AUDITORS' REPORT
- MANAGEMENT'S DISCUSSION AND ANALYSIS
- BASIC FINANCIAL STATEMENTS
- REQUIRED SUPPLEMENTARY INFORMATION
- COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford, Florida (the "City"), as of and for the year ended September 30, 2025, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Forvis Mazars, LLP is an independent member of Forvis Mazars Global Limited

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 GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 30, 2026, 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.

Forvis Mazars, LLP

Orlando, Florida
April 30, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the City of Sanford (herein referred to as "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, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i through v of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by $542,092,345 (net position). Of this amount, $159,276,328 (29.38%) represents unrestricted net position, which may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased by $41,337,840 (or (8.26)%). The City's net position in governmental activities increased by $5,446,126 while the net position in business-type activities increased by $35,891,714. The governmental increase is attributable to an increase in the ad valorem tax rate while the business-type activities increase is due to contribution of capital assets, impact fees, and an accumulation of operational charges created to assist in ongoing and future capital needs.
- At the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of $115,613,079, a decrease of $(1,478,709) in comparison with the prior year.
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned and unassigned components of fund balance) for the General Fund was $43,312,827, or approximately 52.42% of total general fund expenditures and transfers out.
- The City's total outstanding long-term debt decreased by $(5,067,597) during the current fiscal year. The decrease is attributable to a decrease in notes payable, pension liabilities, OPEB costs, SBITAs, Finance purchase agreements, and a slight increase in compensated absences and then offset by a increase in outstanding notes, claims, loans, and leases.

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial statements' focus is on both the City as a whole (government-wide) and on the major individual funds. Both perspectives (government-wide and major fund) allow the user to address relevant questions, broaden a basis for comparison (year-to-year or government-to-government) and enhance the City's accountability. This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other required 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, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expense are reported for

some items that will only result in cash flows in future fiscal periods (e.g. uncollected franchise fees or earned but unused paid time off, etc.).

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, transportation, economic environment, and culture and recreation services. The business-type activities of the City consist of the water and sewer, solid waste, and stormwater systems as well as the City's golf course and Marina.

The government-wide financial statements include the City of Sanford (known as the primary government) but also a legally separate airport authority, for which the City is financially accountable. Financial information for the Airport Authority is reported separately from the financial information presented for the primary government itself. The Sanford Community Redevelopment Agency, although also legally separate, functions for all practical purposes as a department of the City, and therefore has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 20-21 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 the City'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 City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains twenty-one individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Sanford Community Redevelopment Agency, which are considered to be major funds. Data from the other nineteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report, immediately following the notes to the financial statements and required supplementary information. The basic governmental fund financial statements can be found on pages 22-27 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, solid waste, and stormwater systems as well as the City's golf course and the City's Marina. Internal service funds are an accounting device used to

accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its risk management activities. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary fund statements 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 and sewer, solid waste and stormwater activities, all three of which are considered to be major funds of the City. The remaining funds, the golf course and the marina, are not considered major funds, and are combined on the basic proprietary fund financial statements. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report, immediately following the notes to the financial statements and required supplementary information. The internal service fund for risk management is presented in a separate column in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 29-32 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 33-34 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. They can be found on pages 38-89 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in its obligation to provide pension and other postemployment benefits to its employees. Required Supplementary Information can be found on pages 90-103 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

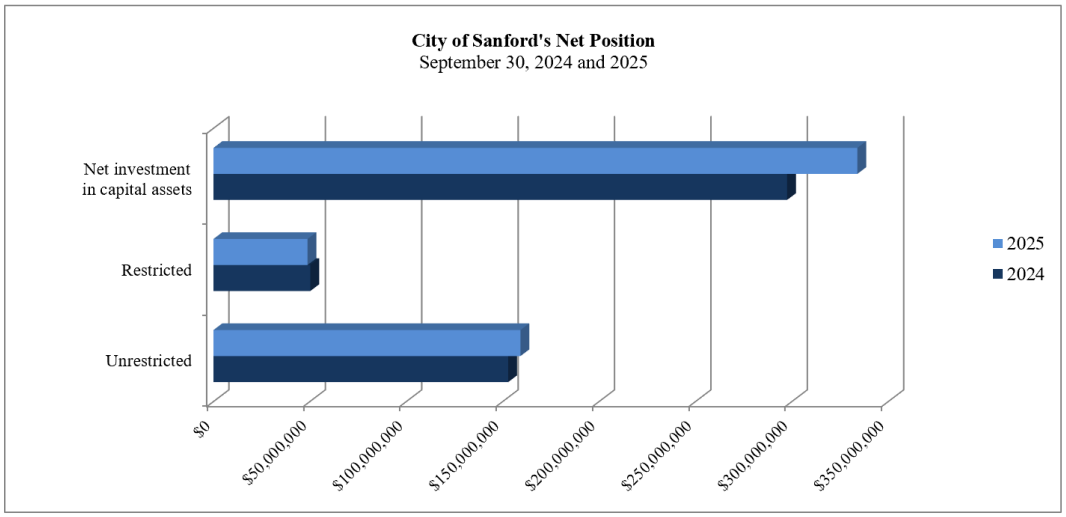
As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by $542,092,345, at the close of the most recent fiscal year.

By far, the largest portion of the City's net position, $334,005,658 (61.6%), are reflected in its investment in capital assets (e.g., land, buildings, improvements, infrastructure, vehicles, and equipment) less any outstanding related debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Accordingly, 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, $48,810,359 represents resources that are subject to external restrictions on how they may be used, primarily for capital projects. The remaining balance $159,276,328 is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors.

City of Sanford's Net Position
As of September 30, 2024 and 2025

	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
Current and other assets	$ 146,246,959	$ 146,421,167	$ 134,902,044	$ 148,280,044	$ 281,149,003	$ 294,701,211
Capital assets	129,455,660	132,949,896	241,455,844	272,199,248	370,911,504	405,149,144
Total assets	275,702,619	279,371,063	376,357,888	420,479,292	652,060,507	699,850,355
Deferred outflows of resources	17,404,157	13,648,099	4,896,242	3,599,850	22,300,399	17,247,949
Current and other liabilities	9,517,002	9,328,889	10,582,791	16,872,306	20,099,793	26,201,195
Long-term liabilities outstanding	76,798,579	70,707,575	64,980,030	66,003,437	141,778,609	136,711,012
Total liabilities	86,315,581	80,036,464	75,562,821	82,875,743	161,878,402	162,912,207
Deferred inflows of resources	9,325,590	10,070,967	2,402,409	2,022,785	11,727,999	12,093,752
Net position:						
Net investment in capital assets	108,244,109	123,078,384	189,336,896	210,927,274	297,581,005	334,005,658
Restricted	37,405,250	37,187,287	12,860,658	11,623,072	50,265,908	48,810,359
Unrestricted	51,816,246	42,646,060	101,091,346	116,630,268	152,907,592	159,276,328
Total net position	$ 197,465,605	$ 202,911,731	$ 303,288,900	$ 339,180,614	$ 500,754,505	$ 542,092,345

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

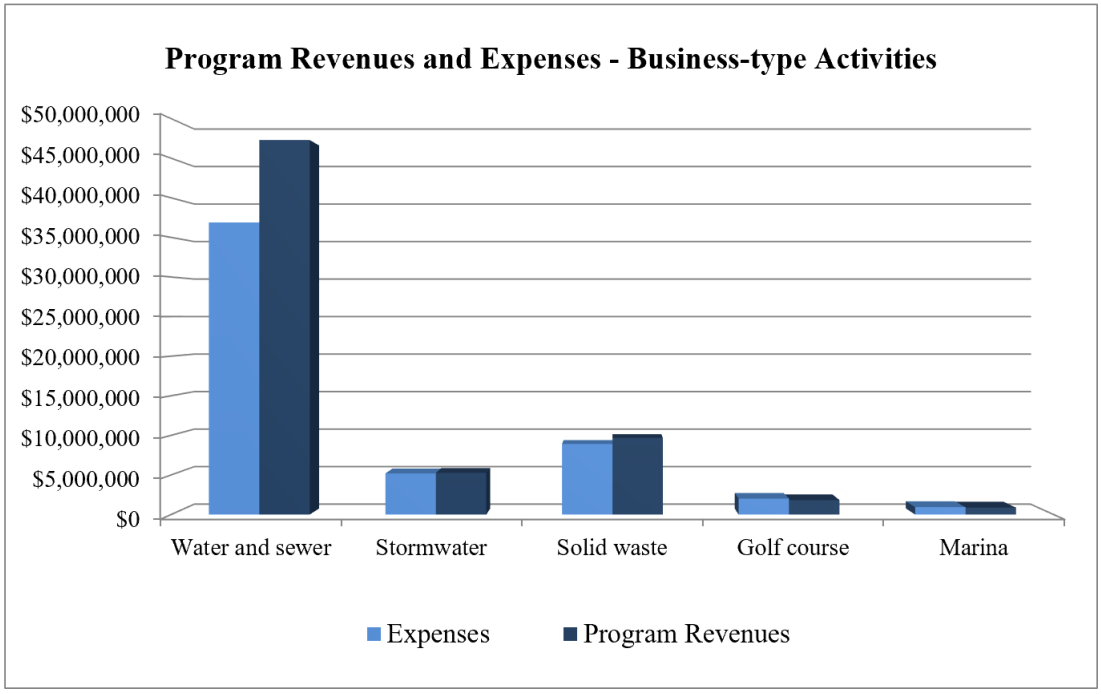


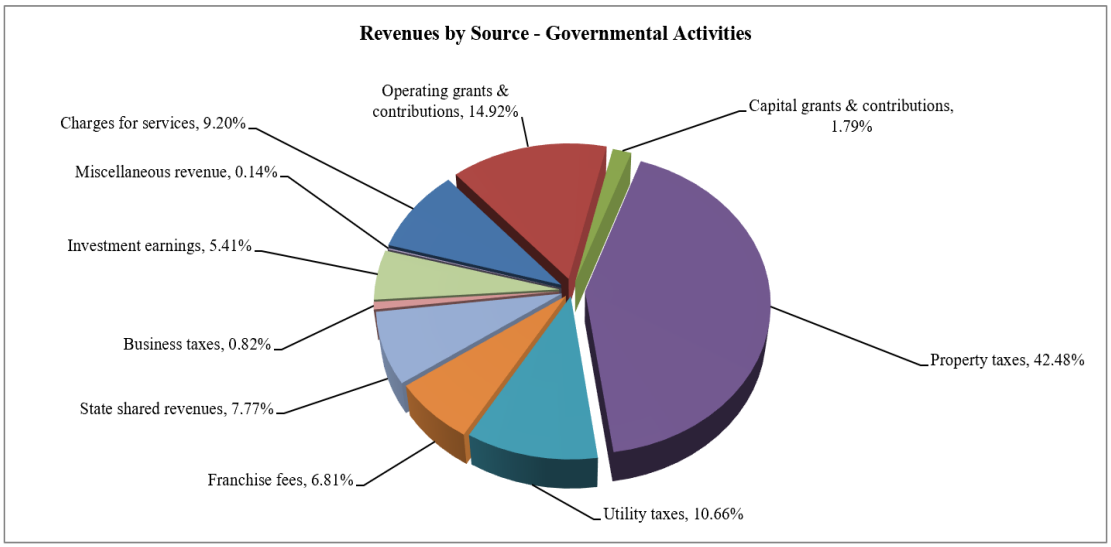
The City's overall net position increased by $41,337,840 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental and business-type activities. The following is a summary of activities for the City during the most recent and prior fiscal year:

City of Sanford's Change in Net Position
For the years ended September 30, 2024 and 2025

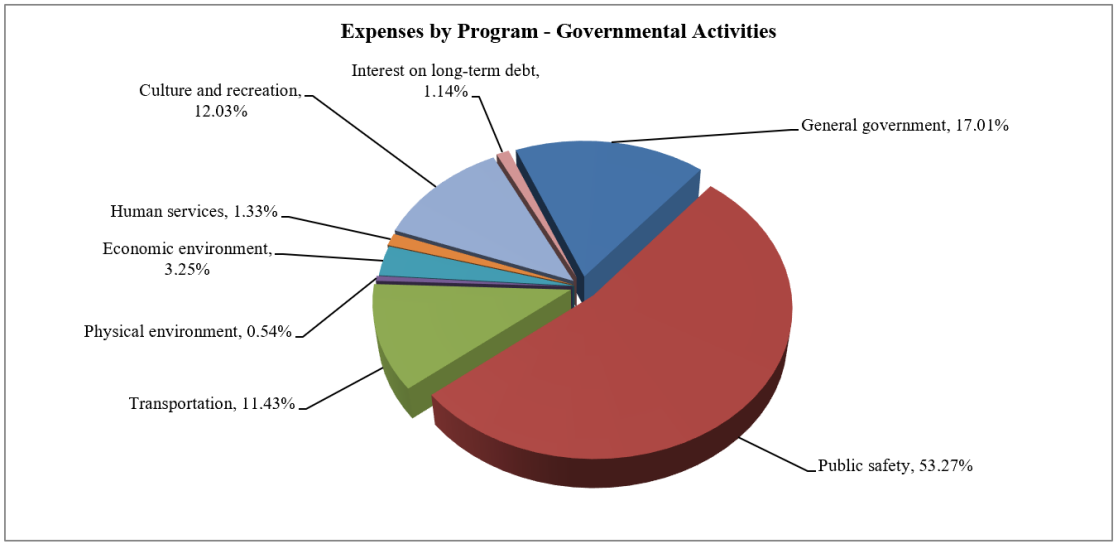
	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
Revenues:						
Program revenues:						
Charges for services	$ 7,477,834	$ 9,436,034	$ 50,035,344	$ 55,842,280	$ 57,513,178	$ 65,278,314
Operating grants & contributions	16,234,975	15,278,985	31,555	1,324,054	16,266,530	16,603,039
Capital grants & contributions	1,301,235	1,833,030	9,357,852	7,779,984	10,659,087	9,613,014
General revenues:						
Property taxes	39,026,668	43,508,880	-	-	39,026,668	43,508,880
Utility taxes	10,420,624	10,923,284	-	-	10,420,624	10,923,284
Franchise fees	6,643,924	6,977,625	-	-	6,643,924	6,977,625
State shared revenues	7,979,330	7,958,655	14,588	20,180	7,993,918	7,978,835
Other	9,291,884	6,516,402	11,053,380	12,809,011	20,345,264	19,325,413
Total revenues	98,376,474	102,432,895	70,492,719	77,775,509	168,869,193	180,208,404
Expenses:						
General government	14,886,949	14,449,541	-	-	14,886,949	14,449,541
Public safety	41,105,017	45,236,253	-	-	41,105,017	45,236,253
Transportation	8,849,661	9,704,214	-	-	8,849,661	9,704,214
Physical environment	331,242	455,881	-	-	331,242	455,881
Economic environment	6,496,348	2,762,178	-	-	6,496,348	2,762,178
Human services	1,327,837	1,132,368	-	-	1,327,837	1,132,368
Culture and recreation	9,664,569	10,217,897	-	-	9,664,569	10,217,897
Interest on long-term debt	944,171	967,485	-	-	944,171	967,485
Water and sewer	-	-	32,036,175	36,885,596	32,036,175	36,885,596
Stormwater	-	-	5,188,327	5,197,370	5,188,327	5,197,370
Solid waste	-	-	8,408,424	8,904,830	8,408,424	8,904,830
Golf course	-	-	2,215,977	2,020,657	2,215,977	2,020,657
Marina	-	-	929,431	936,294	929,431	936,294
Total Expenses	83,605,794	84,925,817	48,778,334	53,944,747	132,384,128	138,870,564
Change in net position before transfers	14,770,680	17,507,078	21,714,385	23,830,762	36,485,065	41,337,840
Debt Financing	-	-	-	-	-	-
Transfers	(9,266,200)	(12,060,952)	9,266,200	12,060,952	-	-
Change in net position	5,504,480	5,446,126	30,980,585	35,891,714	36,485,065	41,337,840
Net position, beginning of year	192,723,989	197,465,605	272,220,627	303,288,900	464,944,616	500,754,505
Cumulative effect of change in accounting principle	(762,864)	-	87,688	-	(675,176)	-
Net position, end	$ 197,465,605	$ 202,911,731	$ 303,288,900	$ 339,180,614	$ 500,754,505	$ 542,092,345

Governmental activities. During the current fiscal year, net position for governmental activities increased $5,446,126 from the prior fiscal year for an ending balance of $202,911,731. The increase is due to an increase in capital activity of $3,494,232, changes in debt activity of $2,422,863 from debt issuance of $549,466 offset by payments totaling $1,953,551 and changes in other debt totaling $1,018,778, a change of $735,589 due to pension activity, and internal service funds $274,231 offset by deferred revenues $2,084, and an operational loss of $1,478,718. The operational loss was due to transfers out net of transfers in of $12,060,952 of which $7,421,311 was for the new clubhouse at the golf course and $1,784,311 was for repairs at the Marina offset by increased property tax revenue due to an increase in market values.



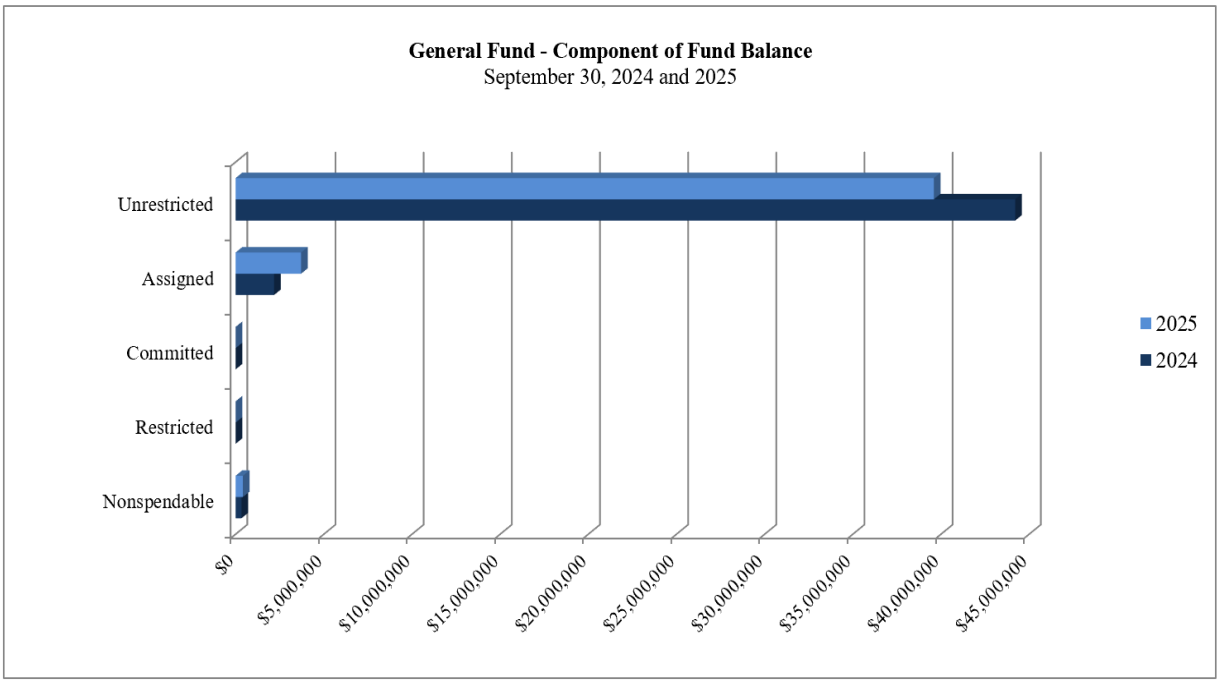


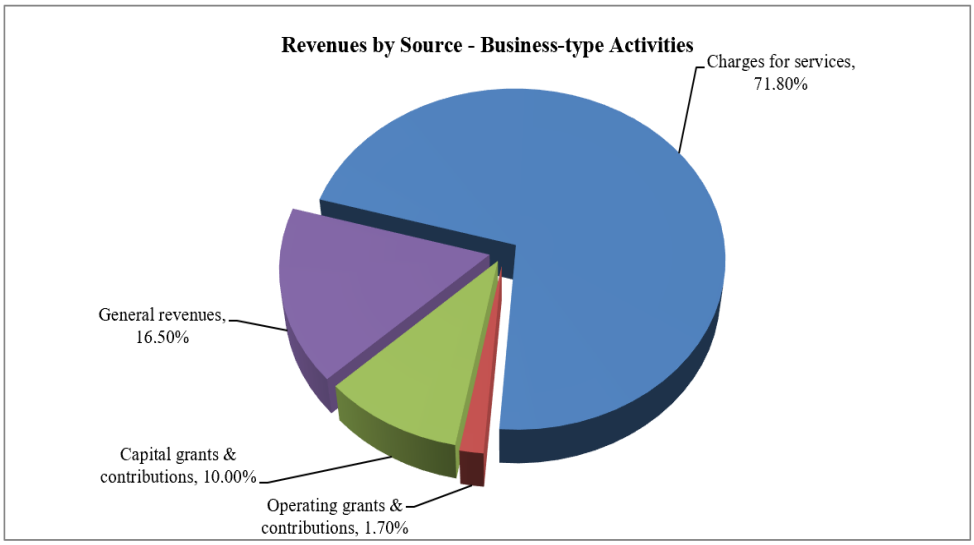
Property taxes, which comprised 42.5% of the City's governmental activity revenues, increased by $4,482,212; this increase was primarily due to the increase in taxable value of property in the City.



Overall, the City's expenses increased this year. Total expenses were $84,925,817, compared to $83,605,794 the prior fiscal year; an increase of $1,320,023 or 1.58%. This increase was offset from 2024's one time payment of $3,750,000 for the opt out payment of the Catalyst agreement. The increases were mainly due to personnel cost increases due to two raises done for public safety during the fiscal year. The Public safety expenses of $45,236,253 comprised 53.27% of the total governmental activities.

Business-type activities. Business-type activities increased the City's net position by $35,891,714, thereby accounting for 87% of the total growth in the City's net position. This increase primarily is attributable to a planned accumulation of resources for future purchases of capital assets and debt payments related to capital assets.





Charges for services of $55,842,280 increased over the prior-year total of $50,035,344 by $5,806,936, or approximately 11.61%. This was due to the increase in customers due to the growing housing stock and an increase in service fees charged. Additionally the city recieved $13,709,943 in grant revenue and capital recovery fees to support future growth needs as well as transferred $12,060,951 in from general funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

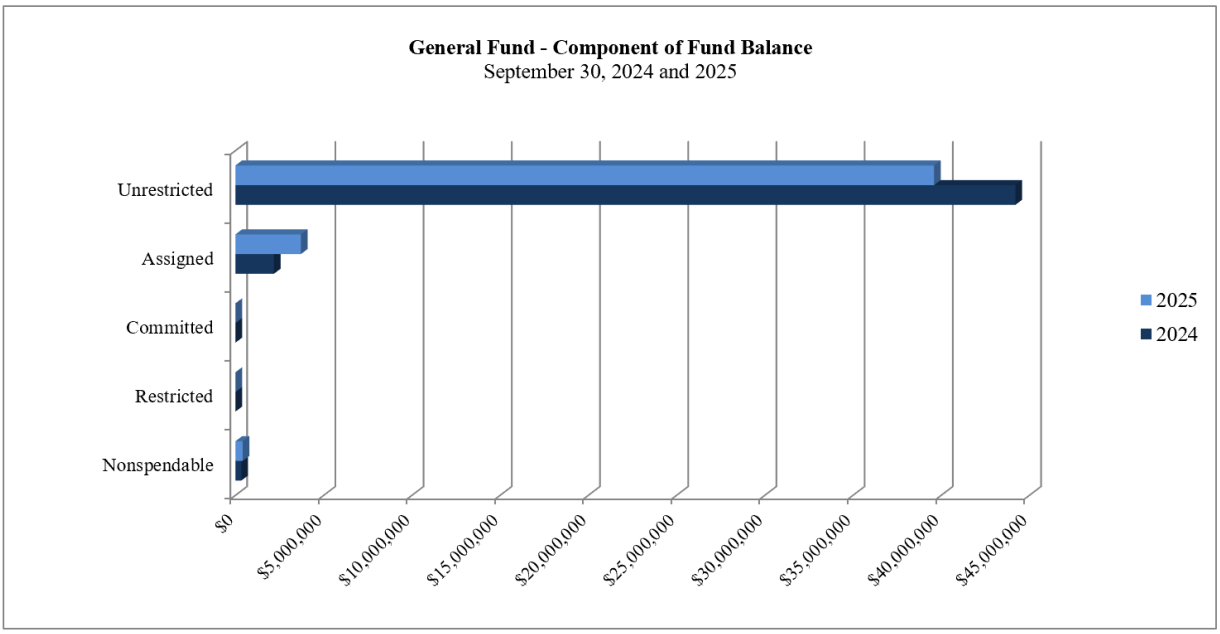
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or the City itself.

As of the fiscal year end, the City's governmental funds reported combined ending fund balances of $115,613,079, a decrease of $(1,478,709) in comparison with the prior year. Approximately 34.23% of this total amount, $39,570,317, constitutes unassigned fund balance, which is available for spending at the City's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form $539,513, 2) restricted for particular purposes $37,187,287, 3) committed for particular purposes $337,788, or 4) assigned for particular purposes $37,978,174.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was $39,599,210, while the total fund balance was $43,726,741. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 63.17% of total General Fund expenditures, while total fund balance represents 69.75% of that same amount.

The fund balance of the City's General Fund decreased by $(2,806,825) during the current fiscal year. The decrease is primarily attributed to capital expenditures transfers to the Mayfair Fund for building a new Clubhouse. Tax revenues for the year increased primarily due to increased property tax reveue, which grew as a result of a 6.9% increase in property values, driven by increased local real estate market values and a 4% increase in growth.



The Sanford Community Redevelopment Agency (herein referred to as "Sanford CRA"), is a blended component unit that is presented as a major special revenue fund and reports the financial activities related to the redevelopment of downtown and the Lake Monroe waterfront. At the end of the current fiscal year, the Sanford CRA's total fund balance was $5,089,235. The fund balance of the Sanford CRA decreased by $(1,608,111) during the current fiscal year. The deccrease is attributed to the capital expenditures related to streetscape projects and an amphitheater The funds of the Sanford CRA are legally restricted for use in the downtown and Lake Monroe redevelopment areas.

The City of Sanford did not have any funds that classified as Major governmental funds for fiscal year 2025.

Nonmajor governmental funds consisting of Special Revenue Funds, Debt Service Funds and Capital Project Funds have a combined total fund balance of $66,797,103 at the end of the current fiscal year. The net increase during the current year in nonmajor governmental funds was $2,936,227 due to funding the Mayfair Country Club at the golf course.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position at the end of the year was $74,597,639 in the Water and Sewer Fund, $26,697,623 in the Stormwater Fund, $1,226,687 in the Solid Waste Fund, $8,954,716 in the Golf Course Fund, and $3,509,467 in the Marina Fund. The total growth of net position for the Water and Sewer Fund, the Stormwater Fund, and the Solid Waste Fund was $24,000,819, $2,191,722, and $802,717 respectively. The increase in the water and sewer fund is attributable to capital contributions and grants and an increase in rate revenues, the increase in the stormwater fund is attributable to an increase in rate revenues, and the increase in the Solid Waste Fund was due to an fees charged to customers. The Golf Course Fund had an increase in net position of $7,585,352 due to transfers from the General Fund to pay for the Clubhouse not completed by year end and a small operating gain. The Marina Fund had an increase in net position of $1,648,129 due to transfers from the General Fund to pay for capital improvements not completed by year end.

GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget $333,123 increase in revenues and $11,232,404 increase in appropriations and transfers out can be briefly summarized as follows:

Revenues

- $ 149,264 Increase in grant revenue for COPS grant
- $ 54,600 Increase in grant revenue for a fire training grant
- $ 472,581 Increase in tree mitigation funds
- $ (343,322) Decrease for state revenue sharing

Transfers Out:

- $ (343,322) Reduction in expenditures for debt service payments
- $ 409,453 Provided budget for additional capital replacements
- $1,312,057 Provided budget for expenditures expected for Marina capital expenditures
- $ 15,000 Provided budget for additional Cemetery operating expenditures
- $7,021,593 Provided budget for Mayfair operations and capital expenditures

Expenditures:

- $1,451,796 Increased budget for MOUs for the police department and was offset by reductions in other departments totaling $895,019
- $ 441,313 Increased budget for MOU for the fire department offset by transfers to capital
- $ 149,264 Increased budget for grant funds in the police department
- $ 54,600 Increased budget for grant funds in the fire department
- $ 6,500 Increased budget for operational costs for the fire department
- $ 401,274 Increased budget for repairs due to Hurricane Milton
- $ 437,581 Increased budget for tree mitigation costs
- $ 506,790 Increased budget for operations costs for the recreation department
- $ 15,071 Increased budget for operation costs for the public works department
- $ 248,453 Budgeted for reappropriation of funds unused in prior fiscal year budget:
    - $ 151,335 Increased budget for Hurricane Ian
    - $ 30,583 Commission funds
    - $ 29,393 Professional service expenditures
    - $ 37,142 Contractual Services

Of the increases in expenditures and transfers out, $333,123 was offset by increased revenues. The remaining increased the use of reserves by $10,899,281

Differences between the final amended budget and actual was a $4,479,938 increase in revenues and other financing sources and $2,740,596 decrease in expenditures and other financing uses can be briefly summarized as follows:

Revenues

- $ 515,397 Increase in property tax revenue due to collecting over the 95% budgeted
- $ 815,133 Increase in utility taxes due to increased electrical costs and growth
- $ 481,615 Increase in franchise fees due to growth within the City
- $2,031,742 Increase in charges for services due to $839,419 increase in tree mitigation funds due to increased development, an increase of $712,241 in ambulance transport fees due to increase in service calls, an increase of $176,560 in recreation fees due to more recreation programs and increased activity, and an $151,387 increase in off duty detail fees due to price increases to the vendors and more vendor requests, an increase in fire service fees of $132,368, and an increase in miscellaneous fees of $19,767.

- $ 100,817 Increase in intergovernmental revenue due to a general economic growth in sales tax revenue and state revenue sharing allocated to the city from the state being higher than the state projected.
- $ 530,302 Increase in SBITA and lease proceeds since the City does not budget for these transactions.
- $ 4,932 Net variance in other General Fund revenues including increases for investment earning ($(54,911)), business taxes ($(7,089)), sales of assets ($1,756) utility taxes ($(60,149)), proceeds from fines and forfeitures ($113,961) and miscellaneous revenues ($11,364).

Expenditures

- $2,361,384 Savings associated with vacant positions resulting from terminations and retirements
- $ 856,130 Savings associated with operational expenditures under budget

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounted to $405,149,144 (net of accumulated depreciation/amortization). This investment in capital assets included land, buildings, machinery and equipment, infrastructure, water and sewer system, stormwater management system, irrigation rights, construction in progress, and SBITAs and leases. The total change in the City's capital assets, net of related depreciation, for the current fiscal year was an increase of $3,494,236 (0.027) for governmental activities and an increase of $30,668,182 (0.13) for business-type activities.

Major capital assets events during the current fiscal year included the following:

Governmental activities:

- Acquisition of $3,492,996 in replacement vehicles
- Acquisition of $888,296 in miscellaneous equipment consisting of stretchers, power loaders, defibrillators, IT equipment replacements, mowers, flatbed trailers, air conditioning, radios, barriers, and an automotive lift.
- Capitalization of prior CIP projects included playground upgrades, drainage, and roads for a total of $605,255.
- Street improvment projects totaling $470,395 were also capitalized during the year.
- Construction of Fire Station 40, 2nd Street, City Hall 2nd floor remodeling project, Construction of City Hall new offices on the 1st floor, and a new building at Westside as well as various recreational facility projects added $10,009,512 in construction in progress
- Current year depreciation less disposals on capital assets of $11,399,336 offsets the above additions

Business-type activities:

- Acquisition of $191,622 in replacement vehicles and heavy equipment
- Private developers contributed $4,619,733 in water and sewer system lines
- Acquisition of pumps, generators, and small equipment totaling $1,193,905
- Capitalization of prior CIP projects included Georgetown pump branch drainage improvements, and miscellaneous upgrades totaling $6,512,227
- Georgetown drainage design, Nutrient reduction, SR46 line relocate and water main upgrades, Mayfair clubhouse, Marina buildings, and other miscellaneous projects increased construction in progress by $32,147,647
- Current year depreciation less disposals on capital assets of $7,335,597 offsets the above additions

City of Sanford's Capital Assets

(net of accumulated depreciation)

As of September 30, 2024 and 2025

	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
Land	$ 6,712,511	$ 6,712,511	$ 8,074,873	$ 8,074,873	$ 14,787,384	$ 14,787,384
Buildings	33,782,768	31,476,477	11,383,785	10,682,245	45,166,553	42,158,722
Machinery and equipment	8,113,598	9,699,555	6,657,736	6,234,736	14,771,334	15,934,291
Infrastructure	73,458,825	68,618,678	575,463	759,566	74,034,288	69,378,244
Right-to-use assets	2,232,009	1,882,469	75,222	37,320	2,307,231	1,919,789
Water and sewer system	-	-	126,301,306	133,356,055	126,301,306	133,356,055
Stormwater system	-	-	17,955,030	16,911,382	17,955,030	16,911,382
Construction in progress	5,155,949	14,560,206	70,507,651	96,143,071	75,663,600	110,703,277
Total	$ 129,455,660	$ 132,949,896	$ 241,531,066	$ 272,199,248	$ 370,986,726	$ 405,149,144

Additional information on the City's capital assets can be found in Note 5 in the notes to the financial statements.

Long-term debt. At the fiscal year end, the City had $18,922,860 in bonded debt outstanding, all of which is secured solely by specified revenues sources or covenants. The City had no debt outstanding backed by the full faith and credit of the City. In addition, the City had debt outstanding in the amount of $51,514,327 in State Revolving Fund loans and $1,257,269 in financed purchase agreeemnts. The City also had $65,016,556 in other long-term debt, including claims payable, accrued clean-up and long-term care costs, other postemployment benefits, pension liabilities, and compensated absences.

City of Sanford's Outstanding Long-Term Debt

As of September 30, 2024 and 2025

	Governmental Activities		Business-type Activities		Total	
	2024	2025	2024	2025	2024	2025
Structured payment debt:						
Notes payable:						
Series 2012	19,423,814	18,922,860	-	-	19,423,814	18,922,860
State revolving loans	-	-	49,224,473	51,514,327	49,224,473	51,514,327
Financed purchase agreements	2,059,851	1,257,269	-	-	2,059,851	1,257,269
Leases and SBITAs	2,258,673	1,987,165	73,895	37,831	2,332,568	2,024,996
Total structured payment debt	23,742,338	22,167,294	49,298,368	51,552,158	73,040,706	73,719,452
Other long-term debt:						
Claims payable	4,141,989	5,309,988	-	-	4,141,989	5,309,988
Net pension liability	30,506,317	26,597,554	10,351,696	9,420,990	40,858,013	36,018,544
Other postemployment benefits*	14,308,353	12,804,835	4,518,566	4,102,315	18,826,919	16,907,150
Compensated absences	4,099,582	3,827,904	811,400	927,974	4,910,982	4,755,878
Total other long-term debt	53,056,241	48,540,281	15,681,662	14,451,279	68,737,903	62,991,560
Total long-term debt	$ 76,798,579	$ 70,707,575	$ 64,980,030	$ 66,003,437	$ 141,778,609	$ 136,711,012

Total structured payment debt outstanding increased by $678,746 due to principal retirements in the current period $(5,971,687) partially offset by proceeds received from new state revolving fund loans $6,055,267, and issuance of SBITAs and leases $595,166.

Under Florida statutes, no debt limit margin is placed on municipalities. Additional information on the City's long-term liabilities can be found in Notes 6, 7 and 9 in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's elected and appointed officials considered many factors when adopting the fiscal year 2026 budget. The following economic factors currently affect the City and were considered:

- The average unemployment rate for Seminole County during the past fiscal year was 3.4%, which is an increase from the same figure of 3.2% a year ago. The rate is less than the State's average unemployment rate during the same time period of 3.6%.
- The City's taxable value of commercial and residential real property for the next fiscal year, 2026, is estimated to increase by 10.02% (of which new growth represents 3.94% and existing property values increased 6.08%) compared to a 10.71% increase experienced in the latest complete fiscal year, 2025. The City maintained the same property tax rate from fiscal year 2025 of 7.325%.
- The City implemented an increase in water and wastewater rates for the next fiscal year to adjust for changes in the consumer price index and system needs of 6.35% and an increase in disposal fees.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Director of Finance, City of Sanford, P.O. Box 1788, Sanford, Florida 32772-1788.

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CITY OF
SANFORD
FLORIDA

BASIC FINANCIAL STATEMENTS

CITY OF SANFORD, FLORIDA
Statement of Net Position
September 30, 2025

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Airport Authority
Assets				
Cash and cash equivalents	$ 13,668,656	$ 1,740,974	$ 15,409,630	$ 27,148,200
Investments	125,157,480	122,048,761	247,206,241	-
Accounts receivable, net	4,703,693	8,783,052	13,486,745	1,594,389
Leases receivable	1,232,257	876,546	2,108,803	10,610,042
Due from other governments	1,527,003	13,382,272	14,909,275	2,110,611
Internal balances	(1,326,636)	1,326,636	-	-
Inventories	269,103	69,722	338,825	-
Prepaid expenses	318,381	52,081	370,462	1,776,829
Restricted investments - airport authority	-	-	-	8,102,868
Net pension asset	844,196	-	844,196	-
Equity interest in joint venture	27,034	-	27,034	-
Capital assets:				
Nondepreciable	21,272,717	104,217,944	125,490,661	82,553,022
Depreciable, net	109,794,710	167,981,304	277,776,014	174,522,318
Right to use assets	1,882,469	-	1,882,469	772,288
Total assets	279,371,063	420,479,292	699,850,355	309,190,567
Deferred outflows of resources				
Deferred outflows related to pensions	10,142,170	2,506,856	12,649,026	6,160,180
Deferred outflows related to OPEB	3,505,929	1,092,994	4,598,923	10,027
Total deferred outflows of resources	13,648,099	3,599,850	17,247,949	6,170,207
Liabilities				
Accounts payable	4,974,565	12,714,968	17,689,533	9,954,271
Accrued liabilities	2,950,337	810,426	3,760,763	684,502
Retainage payable	558,606	419,941	978,547	-
Due to other governments	155,768	24,472	180,240	-
Unearned revenue	599,243	272,353	871,596	1,078,743
Customer deposits	90,370	2,630,146	2,720,516	-
Noncurrent liabilities:				
Due within one year	8,013,500	5,332,570	13,346,070	2,623,642
Due in more than one year	62,694,075	60,670,867	123,364,942	33,364,313
Total liabilities	80,036,464	82,875,743	162,912,207	47,705,471
Deferred inflows of resources				
Deferred inflows related to pensions	7,546,569	671,710	8,218,279	2,503,304
Deferred inflows related to OPEB	1,350,224	547,473	1,897,697	85,870
Deferred inflows related to leases	1,174,174	803,602	1,977,776	10,610,042
Total deferred inflows of resources	10,070,967	2,022,785	12,093,752	13,199,216
Net position				
Net investment in capital assets	123,078,384	210,927,274	334,005,658	233,465,872
Restricted for:				
Debt service	-	886,932	886,932	-
System expansion	6,445,719	10,736,140	17,181,859	-
Transportation	22,329,378	-	22,329,378	-
Downtown redevelopment	5,089,235	-	5,089,235	-
Building inspections	2,340,736	-	2,340,736	-
Passenger facility charges	-	-	-	8,102,868
Other purposes	982,219	-	982,219	-
Unrestricted	42,646,060	116,630,268	159,276,328	12,887,347
Total net position	$ 202,911,731	$ 339,180,614	$ 542,092,345	$ 254,456,087

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

CITY OF SANFORD, FLORIDA
Statement of Activities
For the Year Ended September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Assets: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Airport Authority
Primary government:								
Governmental activities:								
General government	$ 14,449,541	$ 1,531,633	$ 3,531,950	$	$ (9,385,958)	$	$ (9,385,958)	$ -
Public safety	45,236,253	5,978,061	1,891,806	1,106,470	(36,259,916)	-	(36,259,916)	-
Transportation	9,704,214	-	7,985,694	-	(1,718,520)	-	(1,718,520)	-
Physical environment	455,881	1,378,975	-	-	923,094	-	923,094	-
Economic environment	2,762,178	12,205	863,525	-	(1,886,448)	-	(1,886,448)	-
Human services	1,132,368	-	1,006,010	-	(126,358)	-	(126,358)	-
Culture and recreation	10,217,897	535,160	-	726,560	(8,956,177)	-	(8,956,177)	-
Interest	967,485	-	-	-	(967,485)	-	(967,485)	-
Total governmental activities	84,925,817	9,436,034	15,278,985	1,833,030	(58,377,768)		(58,377,768)	-
Business-type activities:								
Water and sewer	36,885,596	38,455,481	1,064,320	7,774,002	-	10,408,207	10,408,207	-
Stormwater	5,197,370	5,003,199	259,734	-	-	65,563	65,563	-
Solid waste	8,904,830	9,680,597	-	-	-	775,767	775,767	-
Golf course	2,020,657	1,830,740	-	-	-	(189,917)	(189,917)	-
Marina	936,294	872,263	-	5,982	-	(58,049)	(58,049)	-
Total business-type activities	53,944,747	55,842,280	1,324,054	7,779,984		11,001,571	11,001,571	-
Total primary government	**$ 138,870,564**	**$ 65,278,314**	**$ 16,603,039**	**$ 9,613,014**	**(58,377,768)**	**11,001,571**	**(47,376,197)**	**-**
Component unit:								
General government	49,684,556	43,550,306	-	18,284,984				12,150,734
General Revenues:								
Property taxes					43,508,880	-	43,508,880	-
Utility taxes					10,923,284	-	10,923,284	-
Franchise fees-based on gross receipts					6,977,625	-	6,977,625	-
State shared revenues not restricted to specific programs					7,958,655	20,180	7,978,835	-
Business taxes					836,496	-	836,496	-
Capital recovery fees					-	4,605,904	4,605,904	-
Investment earnings					5,536,665	4,688,125	10,224,790	1,135,250
Miscellaneous revenue					143,241	3,514,982	3,658,223	22,652
Transfers					(12,060,952)	12,060,952	-	-
Total general revenues and transfers					63,823,894	24,890,143	88,714,037	1,157,902
Change in net position					5,446,126	35,891,714	41,337,840	13,308,636
Net position - beginning					197,465,605	303,288,900	500,754,505	241,147,451
Net position - ending					**$ 202,911,731**	**$ 339,180,614**	**$ 542,092,345**	**$ 254,456,087**

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

CITY OF SANFORD, FLORIDA
Balance Sheet
Governmental Funds
September 30, 2025

	General Fund	Sanford CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 106,924	$ -	$ 13,545,066	$ 13,651,990
Investments	44,213,534	5,902,654	55,631,521	105,747,709
Accounts receivable, net	2,936,399	33,512	179,276	3,149,187
Leases receivable	1,232,257	-	-	1,232,257
Due from other governments	764,709	-	762,294	1,527,003
Due from other funds	342,274	-	-	342,274
Inventories	171,047	-	98,056	269,103
Prepaid items	242,867	-	27,543	270,410
Total assets	$ 50,010,011	$ 5,936,166	$ 70,243,756	$ 126,189,933
Liabilities				
Accounts payable	$ 1,440,088	$ 793,502	$ 2,740,975	$ 4,974,565
Accrued liabilities	2,844,039	16,810	81,349	2,942,198
Retainage payable	-	36,619	521,987	558,606
Due to other funds	-	-	24,774	24,774
Due to other governments	144,962	-	10,806	155,768
Unearned revenues	571,291	-	27,952	599,243
Customer deposits	90,370	-	-	90,370
Total liabilities	5,090,750	846,931	3,407,843	9,345,524
Deferred Inflows of Resources				
Unavailable revenue	18,346	-	38,810	57,156
Deferred inflows related to leases	1,174,174	-	-	1,174,174
Total deferred inflows of resources	1,192,520	-	38,810	1,231,330
Fund balances				
Nonspendable:				
Inventory	171,047	-	98,056	269,103
Prepaid items	242,867	-	27,543	270,410
Restricted for:				
Downtown redevelopment	-	5,089,235	-	5,089,235
Building inspections	-	-	2,340,736	2,340,736
Transportation	-	-	22,329,378	22,329,378
Law enforcement	-	-	628,252	628,252
Assistance programs	-	-	353,967	353,967
System expansion	-	-	6,445,719	6,445,719
Committed for:				
Cemetery purposes	-	-	230,714	230,714
Capital replacements	-	-	107,074	107,074
Assigned for:				
Debt service	-	-	2,019,152	2,019,152
Capital replacements	-	-	32,245,405	32,245,405
Other	3,713,617	-	-	3,713,617
Unassigned/(Deficit)	39,599,210	-	(28,893)	39,570,317
Total fund balances	43,726,741	5,089,235	66,797,103	115,613,079
Total liabilities, deferred inflows of resources, and fund balances	$ 50,010,011	$ 5,936,166	$ 70,243,756	$ 126,189,933

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

CITY OF SANFORD, FLORIDA
Reconciliation of the Balance Sheet to
the Statement of Net Position
September 30, 2025

Fund Balances - Total Governmental Funds (page 22)		$ 115,613,079
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Nondepreciable capital assets	$ 21,272,717	
Depreciable capital assets	291,311,793	
Less: Accumulated depreciation	(181,517,083)	
Right-to-use assets	3,738,957	
Less: Accumulated amortization	(1,856,488)	132,949,896
Other long-term assets are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.		57,156
Equity interest in joint venture is not a financial resource and therefore not reported in the funds.		27,034
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
Governmental note payable	(18,922,860)	
Financed purchase agreements	(1,257,269)	
Leases	(579,150)	
SBITAs	(1,408,015)	
Accrued interest payable	(8,139)	
Compensated absences	(3,827,904)	(26,003,337)
On the government fund statements, a net pension liability/asset is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the City's proportionate share of the net pension liability/asset of the cost-sharing defined benefit pension plans in which the City participates is reported as a noncurrent liability/asset. Additionally deferred outflows and deferred inflows related to pensions are also reported in accordance with GASB Statement No. 68.		
Net pension asset	844,196	
Net pension liability	(26,597,554)	
Deferred outflows related to pensions	10,142,170	
Deferred inflows related to pensions	(7,546,569)	(23,157,757)
The net other post employment benefits obligation is not recorded as a liability in the governmental funds balance sheet.		
OPEB liability	(12,804,835)	
Deferred outflows related to OPEB	3,505,929	
Deferred inflows related to OPEB	(1,350,224)	(10,649,130)
Internal service funds are used by management to account for the cost of health insurance, long-term disability, and life insurance. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		14,074,790
Net Position of Governmental Activities (page 21)		$ 202,911,731

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

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2025

	General Fund	Sanford CRA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	$ 41,100,423	$ 2,390,826	$ -	$ 43,491,249
Utility taxes	10,923,284	-	-	10,923,284
Franchise fees	6,977,625	-	-	6,977,625
Business taxes	764,764	-	-	764,764
Permits and fees	1,014,649	-	1,150,783	2,165,432
Intergovernmental	9,249,294	-	14,209,719	23,459,013
Charges for services	5,704,680	-	66,975	5,771,655
Investment earnings	3,017,754	333,043	2,706,548	6,057,345
Fines and forfeitures	298,966	-	99,864	398,830
Service assessments	-	-	1,401,963	1,401,963
Miscellaneous	229,834	29,836	11,655	271,325
Total revenues	79,281,273	2,753,705	19,647,507	101,682,485
Expenditures				
Current:				
General government	9,956,763	-	698,839	10,655,602
Public safety	39,086,375	-	4,375,868	43,462,243
Physical environment	396,623	-	176,636	573,259
Transportation	2,749,029	-	3,681,554	6,430,583
Economic environment	497,995	1,135,186	875,274	2,508,455
Human services	137,542	-	998,163	1,135,705
Culture and recreation	9,007,997	-	196,656	9,204,653
Debt service:				
Principal	802,930	-	1,150,622	1,953,552
Interest	51,955	-	911,344	963,299
Capital outlay:				
General government	-	-	997,173	997,173
Public safety	-	-	11,292,113	11,292,113
Physical environment	-	-	34	34
Transportation	-	-	1,090,771	1,090,771
Economic environment	-	947,959	-	947,959
Culture and recreation	-	-	533,150	533,150
Total expenditures	62,687,209	2,083,145	26,978,197	91,748,551
Excess of revenues over expenditures	16,594,064	670,560	(7,330,690)	9,933,934
Other financing sources (uses)				
SBITAs	144,860	-	-	144,860
Leases	385,442	-	19,165	404,607
Transfers in	-	-	13,017,214	13,017,214
Transfers out	(19,932,947)	(2,278,671)	(2,866,547)	(25,078,165)
Proceeds from sale of assets	1,756	-	97,085	98,841
Total other financing sources (uses)	(19,400,889)	(2,278,671)	10,266,917	(11,412,643)
Net change in fund balances	(2,806,825)	(1,608,111)	2,936,227	(1,478,709)
Fund balances				
Beginning of year	46,533,566	6,697,346	63,860,876	117,091,788
End of year	$ 43,726,741	$ 5,089,235	$ 66,797,103	$ 115,613,079

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

CITY OF SANFORD, FLORIDA
Reconciliation to the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2025

Net Change in Fund Balances - Total Governmental Funds (page 24)		$ (1,478,709)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays and leased assets as expenditures. However, in the Statement of Activities, the cost of these assets is depreciated over their estimated useful lives and reported as depreciation expense.		
Expenditures for capital assets	$ 14,861,200	
Less: Current year depreciation	(10,785,665)	
Expenditures for right-to-use assets	554,684	
Less: Current year amortization	(874,827)	3,755,392
In the Statement of Activities, only the loss on the sale/disposal of the capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.		(261,156)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(2,084)
Debt proceeds are reported as a source of financing in the governmental funds. Debt proceeds are not reported as revenues in the Statement of Activities, but rather are reported as liabilities in the Statement of Net Position.		
Leases	(404,607)	
SBITAs	(144,860)	(549,467)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		1,953,552
Some expenses in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Bond premium amortization	170,954	
Change in long-term compensated absences	271,678	
Change in accrued interest payable	(4,193)	
Change in equity in joint venture	(18,962)	
Change in Other post employment benefits obligation	599,298	1,018,775
Government funds report contributions to defined benefit pension plans as expenditures. However, in the Statement of Activities, the amount contributed to defined pension plans reduces future net pension liability and is reported as part of deferred outflows of resources.		5,849,823
In the Statement of Activities, pension expense is recorded for the City's proportionate share of collective pension expense of the cost-sharing defined benefit plans and all of the pension expense of single employer defined pension plans in which the City participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68.		(5,114,234)
Internal service funds are used by management to account for the cost of health insurance, long-term disability, and life insurance. The net revenue of certain activities of internal service funds is reported with governmental activities.		274,234
Change in Net Position of Governmental Activities (page 21)		$ 5,446,126

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

CITY OF SANFORD, FLORIDA
Statement of Net Position
Proprietary Funds
September 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Assets						
Current assets:						
Cash and cash equivalents	$ 2,000	$ -	$ 572,846	$ 1,166,128	$ 1,740,974	$ 16,666
Investments	67,471,904	27,973,023	-	12,059,253	107,504,180	19,409,772
Accounts receivable, net	6,520,325	402,976	1,678,629	181,122	8,783,052	1,554,506
Leases receivable	876,546	-	-	-	876,546	-
Due from other governments	13,379,971	1,059	-	1,242	13,382,272	-
Inventories	-	-	-	69,722	69,722	-
Prepaid items	10,756	-	-	41,325	52,081	47,971
Restricted investments for customer deposits	2,413,424	-	188,010	28,712	2,630,146	-
Restricted investments for debt service	886,932	291,363	-	-	1,178,295	-
Restricted investments for system expansion	10,736,140	-	-	-	10,736,140	-
Total current assets	102,297,998	28,668,421	2,439,485	13,547,504	146,953,408	21,028,915
Noncurrent assets:						
Capital assets:						
Nondepreciable	89,934,633	6,744,238	-	7,539,073	104,217,944	-
Depreciable, net	143,329,695	23,824,726	31,250	795,633	167,981,304	87,343
Total noncurrent assets	233,264,328	30,568,964	31,250	8,334,706	272,199,248	87,343
Total assets	335,562,326	59,237,385	2,470,735	21,882,210	419,152,656	21,116,258
Deferred outflows of resources						
Deferred outflows related to other post employment benefits	913,641	161,836	17,517	-	1,092,994	-
Deferred outflows related to pensions	2,100,468	346,513	59,875	-	2,506,856	-
Total deferred outflows of resources	3,014,109	508,349	77,392	-	3,599,850	-
Liabilities						
Current liabilities:						
Accounts payable	10,221,637	215,876	807,226	1,470,229	12,714,968	-
Accrued liabilities	604,244	195,669	10,513	-	810,426	-
Compensated absences	385,771	25,017	2,952	-	413,740	-
Claims payable	-	-	-	-	-	4,113,251
Retainage payable	287,827	-	-	132,114	419,941	-
Due to other funds	-	-	-	317,500	317,500	-
Due to other governments	9,853	-	-	14,619	24,472	-
Unearned revenues	272,353	-	-	-	272,353	-
Leases payable - current	8,069	233	627	-	8,929	-
Other postemployment benefits - current	139,169	24,122	2,625	-	165,916	-
Loans payable - current	4,022,143	721,842	-	-	4,743,985	-
Liabilities payable from restricted assets:						
Customer deposits	2,413,424	-	188,010	28,712	2,630,146	-
Total current liabilities	18,364,490	1,182,759	1,011,953	1,963,174	22,522,376	4,113,251
Noncurrent liabilities:						
Loans payable	42,159,165	4,611,177	-	-	46,770,342	-
Lease payable	26,124	752	2,026	-	28,902	-
Claims payable	-	-	-	-	-	1,196,737
Compensated absences	486,102	26,279	1,853	-	514,234	-
Pensions payable	7,989,270	1,240,565	191,155	-	9,420,990	-
Other postemployment benefits	3,257,065	616,156	63,178	-	3,936,399	-
Total noncurrent liabilities	53,917,726	6,494,929	258,212	-	60,670,867	1,196,737
Total liabilities	72,282,216	7,677,688	1,270,165	1,963,174	83,193,243	5,309,988
Deferred inflows of resources						
Deferred inflows related to other post employment benefits	439,244	98,978	9,251	-	547,473	-
Deferred inflows related to pensions	568,919	89,364	13,427	-	671,710	-
Deferred inflows related to leases	803,602	-	-	-	803,602	-
Total deferred inflows of resources	1,811,765	188,342	22,678	-	2,022,785	-
Net position						
Net investment in capital assets	178,261,743	25,182,081	28,597	7,454,853	210,927,274	87,343
Restricted for debt service	886,932	-	-	-	886,932	-
Restricted for system expansion	10,736,140	-	-	-	10,736,140	-
Unrestricted	74,597,639	26,697,623	1,226,687	12,464,183	114,986,132	15,718,927
Total net position	$ 264,482,454	$ 51,879,704	$ 1,255,284	$ 19,919,036	337,536,478	$ 15,806,270
Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.					1,644,136	
Net position of business-type activities					$339,180,614	

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

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Operating revenues						
Charges for sales/services	$ 38,455,481	$ 5,003,199	$ 9,680,597	$ 2,703,003	$ 55,842,280	$ 14,844,150
Miscellaneous	3,422,070	6,163	(573)	107,502	3,535,162	496,871
Total operating revenues	41,877,551	5,009,362	9,680,024	2,810,505	59,377,442	15,341,021
Operating expenses						
Personnel services	11,153,172	1,800,256	242,686	10,079	13,206,193	172,039
Materials and supplies	12,484,285	732,494	13,114	1,314,356	14,544,249	330,780
Intragovernmental services	2,765,109	467,264	231,863	-	3,464,236	-
Contractual services	3,958,297	244,463	8,414,136	1,272,189	13,889,085	1,113,716
Claims and insurance	-	-	-	-	-	14,561,179
Depreciation	5,300,125	1,801,742	-	284,436	7,386,303	3,129
Amortization	7,573	218	588	75,222	83,601	-
Total operating expenses	35,668,561	5,046,437	8,902,387	2,956,282	52,573,667	16,180,843
Operating income (loss)	6,208,990	(37,075)	777,637	(145,777)	6,803,775	(839,822)
Nonoperating revenues (expenses)						
Investment earnings	3,323,907	1,179,632	26,545	158,041	4,688,125	773,899
Interest expense	(933,464)	(98,457)	(1,465)	(667)	(1,034,053)	-
Operating grants	1,064,320	259,734	-	-	1,324,054	-
Capital recovery fees	4,605,904	-	-	-	4,605,904	-
Total nonoperating revenues (expenses)	8,060,667	1,340,909	25,080	157,374	9,584,030	773,899
Income (loss) before contributions, grants, extraordinary gain (loss), and transfers	14,269,657	1,303,834	802,717	11,597	16,387,805	(65,923)
Capital contributions and grants	7,774,003	-	-	5,982	7,779,985	-
Transfers in	1,957,159	887,888	-	9,215,904	12,060,951	-
Change in net position	24,000,819	2,191,722	802,717	9,233,483	36,228,741	(65,923)
Net position - beginning	240,481,635	49,687,982	452,567	10,685,553	301,307,737	15,872,193
Total net position - ending	$ 264,482,454	$ 51,879,704	$ 1,255,284	$ 19,919,036	$ 337,536,478	$ 15,806,270

Some amounts reported for business-type activities in the statement of activities are different because the net revenues (expense) of certain internal services funds are reported with business-type activities.	(337,027)
Change in net position of business-type activities	$35,891,714

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

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Cash flows from operating activities:						
Receipts from customers and users	$ 36,034,633	$ 5,050,486	$ 9,393,520	$ 2,633,153	$ 53,111,792	$ -
Receipts from interfund charges for risk management	-	-	-	-	-	16,015,291
Payments to suppliers	(10,944,125)	(1,410,859)	(8,358,423)	(1,760,892)	(22,474,299)	(14,859,234)
Payments to employees	(11,285,123)	(1,835,599)	(244,961)	(10,079)	(13,375,762)	(172,039)
Payments for interfund services used	(2,765,109)	(467,264)	(231,863)	-	(3,464,236)	-
Net cash provided by (used for) operating activities	11,040,276	1,336,764	558,273	862,182	13,797,495	984,018
Cash flows from noncapital financing activities:						
Operating grant receipts	1,064,320	259,734	-	-	1,324,054	-
Transfers to other funds	-	-	-	-	-	-
Transfers from other funds	1,957,159	887,888	-	9,215,904	12,060,951	-
Net cash provided by (used for) noncapital financing activities	3,021,479	1,147,622	-	9,215,904	13,385,005	-
Cash flows from capital and related financing activities:						
Repayment of lease/notes payable	(3,066,366)	(706,364)	(553)	(73,895)	(3,847,178)	-
Interest paid	(933,463)	(98,458)	(1,465)	(667)	(1,034,053)	-
Proceeds of note payable	6,055,267	-	-	-	6,055,267	-
Purchase of capital assets	(24,698,636)	(2,670,504)	-	(6,164,037)	(33,533,177)	-
Developers fees	4,605,904	-	-	-	4,605,904	-
Capital contributions and grants	3,154,270	-	-	5,980	3,160,250	-
Proceeds from sales of capital assets	31,056	29,471	-	-	60,527	-
Net cash used for capital and related financing activities	(14,851,968)	(3,445,855)	(2,018)	(6,232,619)	(24,532,460)	-
Cash flows from investing activities:						
Investment income earned on operating funds	3,323,907	1,179,633	26,545	158,041	4,688,126	773,898
Net cash provided by investing activities	3,323,907	1,179,633	26,545	158,041	4,688,126	773,898
Net increase in cash and cash equivalents	2,533,694	218,164	582,800	4,003,508	7,338,166	1,757,916
Cash and cash equivalents at beginning of year	78,976,706	28,046,222	178,056	9,250,585	116,451,569	17,668,522
Cash and cash equivalents at end of year	$ 81,510,400	$ 28,264,386	$ 760,856	$ 13,254,093	$ 123,789,735	$ 19,426,438
Reconciliation to cash and pooled investments per Statement of Net Position:						
Cash	$ 2,000	$ -	$ 572,846	$ 1,166,128	$ 1,740,974	$ 16,666
Investments	67,471,904	27,973,023	-	12,059,253	107,504,180	19,409,772
Restricted investments, current	14,036,496	291,363	188,010	28,712	14,544,581	-
	$ 81,510,400	$ 28,264,386	$ 760,856	$ 13,254,093	$ 123,789,735	$ 19,426,438

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

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Proprietary Funds (continued)
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds					Governmental Activities
	Water / Sewer Utility Fund	Stormwater Utility Fund	Solid Waste Utility Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Reconciliation of operating income (loss) to net cash provided by operating activities:						
Operating income (loss)	$ 6,208,990	$ (37,075)	$ 777,637	$ (145,777)	6,803,775	$ (839,822)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:						
Depreciation	5,300,125	1,801,742	-	284,436	7,386,303	3,129
Amortization	7,573	218	588	75,222	83,601	-
Changes in deferred inflows/outflows:						
Pensions	623,056	98,116	16,105	-	737,277	-
OPEB	209,980	36,394	3,960	-	250,334	-
Leasees	(70,843)	-	-	-	(70,843)	-
Changes in assets and liabilities:						
Accounts receivable	(1,092,652)	16,425	(103,150)	(104,874)	(1,284,251)	674,270
Insurance receivable	-	-	-	-	-	-
Leases receivable	52,874	-	-	-	52,874	-
Due from other governments	(5,173,311)	24,699	15,190	(1,242)	(5,134,664)	-
Prepaids	(932)	855	-	(4,152)	(4,229)	(21,558)
Due from other funds	208,498	-	-	-	208,498	-
Inventories	-	-	-	(21,813)	(21,813)	-
Customer deposits	208,743	-	9,954	10,577	229,274	-
Accounts payable	6,246,531	(208,857)	68,827	710,470	6,816,971	-
Retainage payable	(750,056)	(225,900)	-	119,236	(856,720)	-
Claims payable	-	-	-	-	-	1,167,999
Accrued liabilities	170,682	14,521	4,575	-	189,778	-
OPEB liability	(349,149)	(60,517)	(6,585)	-	(416,251)	-
Pension liability	(786,519)	(123,857)	(20,330)	-	(930,706)	-
Due to other funds	-	-	(208,498)	(60,000)	(268,498)	-
Due to other governments	2,914	-	-	99	3,013	-
Unearned revenue	23,772	-	-	-	23,772	-
Net cash provided by (used for) operating activities	$ 11,040,276	$ 1,336,764	$ 558,273	$ 862,182	$ 13,797,495	$ 984,018
Noncash investing, capital, and financing activities:						
Contributions of capital assets	$ 4,619,733	$ -	$ -	$ -	$ 4,619,733	$ -
Decrease in fair value of investments	507,916	185,924	7,701	35,991	737,532	123,491
Change in capital-related A/P and Retainage	6,609,474	(564,837)	-	779,378	6,824,015	-

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

CITY OF SANFORD, FLORIDA
Statement of Net Position
Fiduciary Funds
September 30, 2025

	Pension Trust Funds
Assets	
Cash and cash equivalents with trustee	$ 7,547,830
Investments, at fair value:	
US government obligations	5,401,306
Mortgage & asset backed securities	4,863,073
Corporate debt	702,541
Mutual funds	67,401,066
Equity securities	17,500,319
Real estate	14,242,593
Accrued investment income	57,498
Prepaid items	14,938
Total assets	117,731,164
Liabilities	
Accounts payable	65,685
Net position	
Net position restricted for pensions	$ 117,665,479

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

CITY OF SANFORD, FLORIDA
Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2025

	Pension Trust Funds
Additions	
Contributions:	
Employer	$ 3,180,587
Plan members	524,550
Total contributions	3,705,137
Investment earnings (losses):	
Interest & dividends	2,174,954
Net increase in fair value of investments	8,589,822
Total investment earnings	10,764,776
Investment expenses	(435,456)
Net investment earnings	10,329,320
Total additions	14,034,457
Deductions	
Benefit payments	5,104,322
Refund of contributions	720,338
Administrative expenses	165,704
Total deductions	5,990,364
Change in net position	8,044,093
Net position restricted for pensions	
Beginning of year	109,621,386
End of year	$ 117,665,479

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

NOTES TO THE FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The City of Sanford, Florida (the "City"), is a political subdivision located in Seminole County of the State of Florida, established pursuant to Article VIII, section 2(a) of the Constitution of the State of Florida. The legislative branch of the City is composed of a five-member elected Commission, including a City-wide elected Mayor. The City Commission is governed by the City Charter and by state and local laws and regulations. The City Commission is responsible for the establishment and adoption of policy. The execution of such policy is the responsibility of the Commission-appointed City Manager. The accounting policies of the City conform to accounting principles generally accepted in the United States of America, as applicable to governments, as established by the Governmental Accounting Standards Board. The following is a summary of the more significant policies.

A. Reporting Entity

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The accompanying financial statements present the City and its component units, entities for which the City is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the City.

Blended Component Unit

The City of Sanford Community Redevelopment Agency - The City of Sanford Community Redevelopment Agency (the "Sanford CRA") pursuant to Section 163.356, Florida Statutes, was established by City Ordinance No. 3282 and County Ordinance No. 95-R-246. The only currently active project, the Lake Monroe Waterfront and Downtown District, was established in 1996 by an interlocal agreement with Seminole County.

The Sanford CRA is comprised of a five-member board. Three members are nominated and appointed by the City Commission, and two members are nominated by the Board of County Commissioners of Seminole County and appointed by the City Commission. The City and Seminole County provide tax increment revenue to the Sanford CRA to be used for payment of infrastructure improvement projects and debt service on loans.

Due to the appointment of the board in addition to the financial support provided by the City, management has determined the Sanford CRA meets the criteria to be included as a component unit. Financial records for the Sanford CRA are maintained by the City and City staff is responsible for the day-to-day operation of the Sanford CRA. Due to the component unit existing to exclusively benefit the primary government the CRA is considered a blended component unit. The CRA benefits the primary government by providing funds for infrastructure improvements to roadways and police patrol throughout the downtown and these are the main uses of revenues. The Sanford CRA is reported as a major special revenue fund and separate financial statements are also prepared for the CRA and are available on the City's website.

Discretely Presented Component Unit

The Sanford Airport Authority - The Sanford Airport Authority (the "Airport Authority") was established under Florida Statutes, Chapter 71-924, and Resolution No. 1315 of the City Commission. The City Commission appoints all members of the Board of Directors of the Airport Authority and approves the Airport Authority's annual operating budget, as well as any budget adjustments or amendments. The exclusion of the Airport Authority as a component unit is believed to be misleading and therefore management has determined the Airport Authority should be reported as a discretely presented component unit. Separate financial statements are available for the Airport Authority. These reports can be obtained by contacting the Airport Authority at 1200 Red Cleveland Boulevard, Sanford, FL 32773.

Note 1 - Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

All financial statement notes for the Airport Authority are omitted from this report since separate financial statements are available. The notes to the Airport Authority statements should be used as an integral part to interpreting the financial statements of this component unit.

Related Organizations

The City Commission is responsible for appointing a voting majority of the governing board for the Sanford Housing Authority ("Authority"), which makes the Authority a related organization. However, the Authority is not considered a component unit since it is not financially accountable to or fiscally dependent on the City.

Joint Venture

The City of Sanford participates in a joint venture known as SanGroup, LLC, formed for the purpose to acquire, hold, lease and maintain the Christian Prison Ministry (CPM) Property until completion of the remediation of contamination on the site from a gasification plant, sell or otherwise dispose of the CPM Property, unless the advisory committee otherwise determines, and to do such other things and engage in any other activities that the members determine to be necessary, convenient, or incidental to any of the foregoing purposes. The members of the joint venture are Atlanta Gas Light Company, Florida Power & Light Company, Florida Power Corporation (subsequently Duke Energy), and the City of Sanford with interests of 23.6032%, 16.3374%, 45.0482%, and 15.0112% respectively. The joint venture's advisory committee is composed of one representative from each member organization and has voting rights equal to their interests. The City of Sanford has an equity interest in equity of the joint venture. This interest has been reported using the equity method of accounting. Separate financial statements for this joint venture are available from SanGroup, LLC at 550 South Tryon Street DEC41A, Charlotte, NC 28202. At September 30, 2025, this joint venture had total assets of $191,238 and total equity of $191,238.

B. Basis of Presentation - Government-wide 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 non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

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

Note 1 - Summary of Significant Accounting Policies (continued)

B. Basis of Presentation - Government-wide Financial Statements (continued)

segment. Amounts reported as *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, (2) operating grants and contributions that are restricted to meeting the operational requirements of a particular function or segment, and (3) capital grants and contributions, including special assessments, that are restricted to meeting the capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

C. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the City's funds, including its fiduciary funds and blended component units. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements. The City adopts an annual appropriated budget for its General, Special Revenue, Debt Service, Capital Projects and Enterprise Funds, except for the State Pension Contributions Fund, NSP Grant Fund, Catalyst Fund, the Golf Course Fund, and the Marina Fund. Budgetary comparison schedules have been provided for the General and Special Revenue funds to demonstrate compliance with the budget and are presented as required supplementary information.

The City reports the following major governmental funds:

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

The *Sanford Community Redevelopment Agency Fund* accounts for financial resources related the economic development of the Lake Monroe Waterfront and Downtown Sanford. The fund is a blended component unit of the City. The funds include tax increment revenue, which is legally restricted and expended to support the City's redevelopment in the designated community redevelopment area. Expenditures are for capital and non-capital projects.

The City reports the following major enterprise funds:

The *Water and Sewer Fund* accounts for the activities of the City's water plants, sewage treatment plants, water distribution system, sewage pumping stations and collection systems.

The *Stormwater Fund* accounts for the operation of the City's stormwater management utility.

The *Solid Waste Fund* accounts for the operation of the City's solid waste management.

The *Internal Service Fund* accounts for risk management services (including claims for workers' compensation, general liability, and property damage) provided to departments of the City on a cost-reimbursement basis. The City has (1) internal service fund.

The *Pension Trust Funds* are used to account for assets held by the City in a trustee capacity. The City has two (2) pension trust funds: the *Police Officers' Retirement System Fund* and the *Firefighters' Retirement System Fund*.

Note 1 - Summary of Significant Accounting Policies (continued)

C. Basis of Presentation - Fund Financial Statements (continued)

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year 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.

The 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 City considers revenues to be available if they are collected within 65 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. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise fees, state shared revenues, charges for services, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 65 days of year-end except property taxes which is limited to 60 days). All other revenue items are considered to be measurable and available only when cash is received by the City.

The proprietary funds and pension benefit trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

Note 1 - Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting (continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the water and sewer fund, stormwater fund, solid waste fund, golf course fund, and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Cash, Cash Equivalents, and Investments

Cash and cash equivalent are considered to be cash on hand, demand deposits and short-term investment with original maturities of three months or less from the date of acquisition. The City presents all investments at fair value.

F. Receivables

(1) Property Taxes Receivable - Under Florida law, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the Seminole County Property Appraiser (the "Property Appraiser") and Seminole County Tax Collector (the "Tax Collector"). The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. State Statutes permit municipalities to levy property taxes at a rate up to ten (10) mills. The millage rate assessed by the City for the fiscal year ended September 30, 2025 was 7.325 mills.

All real and tangible personal property taxes are due and payable on November 1 of each year, or as soon thereafter as the assessment roll is certified by the Property Appraiser (levy date). The Tax Collector mails to each property owner on the assessment roll a notice of the taxes due. The Tax Collector also collects the taxes for the City. Taxes may be paid upon receipt of such notice from the Tax Collector, with discounts at the rate of four percent (4%) if paid in the month of November, three percent (3%) if paid in the month of December, two percent (2%) if paid in the month of January, and one percent (1%) if paid in the month of February. Taxes paid during the month of March are without discount, and all unpaid taxes on real and tangible personal property become delinquent on April 1 of the year following the year in which taxes were assessed.

Prior to May 1 of each year, immediately following the year of assessment, the Tax Collector advertises a list of delinquent personal property taxpayers. Warrants are issued directing seizure and sale of the personal property of the taxpayer if the delinquent personal property taxes are not paid. On or before June 1 (lien date) of the year following the year in which taxes were assessed, tax certificates are sold on all real estate parcels with outstanding real property taxes. These parcels are advertised once a week for four (4) weeks prior to the tax certificate sale.

City property tax revenues are recognized when levied to the extent that they result in current receivables. If material, delinquent taxes receivable that are measurable, but not available as of the end of the fiscal year, are reflected as deferred revenues. The deferred revenues are recognized as revenue in the fiscal year they become measurable and available as net current assets.

(2) Accounts Receivable – Accounts receivable for water and sewer, stormwater and solid waste services are shown net of an allowance for uncollectible accounts. Accounts receivable in excess of 180 days and 85 percent of accounts receivable in excess of 90 days comprise the allowance for uncollectible accounts. The unbilled portion of water and sewer revenues is accrued at year-end based upon a proration of the billing cycle based on read dates of meters. The unbilled portion of solid waste revenue is accrued at year-end based upon the period in which collection service is provided.

Note 1 - Summary of Significant Accounting Policies (continued)

F. Receivables (continued)

(3.) Leases Receivable - The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the leases.

G. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased (consumption method).

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

H. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Constructed or purchased assets are recorded at historical cost or estimated historical cost. Donated assets are recorded at the acquisition value on the date of donation. The threshold for capitalization of assets is $5,000 for financial reporting purposes. Costs of maintenance and repairs that do not add to the value of assets or extend their useful lives are not capitalized.

Interest incurred during the construction phase of capital assets of enterprise funds is included as part of the capitalized value of the assets constructed. The amount of interest capitalized depends on the specific circumstances. This year, State Revolving Fund loans were drawn upon to finance water and sewer improvements. There was not any capitalized interest for this fiscal year.

All capital assets, except land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

Classification	Years
Buildings and improvements	10 - 60
Water and Sewer System	40 - 60
Stormwater Management System	40 - 60
Equipment	3 - 20
Infrastructure	30 - 40
Irrigation rights	25
SBITA's and leases are amortized according to their underlying agreement terms	

Gains or losses on disposal of capital assets are included as income in the period of disposal.

I. Compensated Absences

It is the City’s policy to permit employees to accumulate earned but unused paid time off (PTO), with the exception of police union employees who accumulate earned but unused vacation and sick pay benefits. The City records the vested portion of accumulated, unused compensated absences at year-end based on each employee’s accumulated unused hours and rate of pay, including the City’s share of Social Security and Medicare taxes and retirement benefits. All compensated absences are accrued when incurred in the government-wide and proprietary

Note 1 - Summary of Significant Accounting Policies (continued)

I. Compensated Absences (continued)
The City has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Unearned Revenues

Unearned revenues presented on governmental fund financial statements represents revenues collected (therefore available) but not applicable to the current reporting period (therefore unearned), primarily related to business tax receipts applicable to the City's next fiscal year. Unearned revenue presented on the proprietary fund financial statements represents advance collection of funds for services to be provided in future reporting periods, consisting primarily of an advance payment for an expenditure-driven intergovernmental agreement. Unearned revenues on the government-wide financial statement are the same as those reported on the governmental and proprietary statements.

K. Debt Issuance Costs and Bond Discounts

In the government-wide financial statements, and proprietary fund types in the fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount and refunding gains/losses. Bond issuance costs are reported expensed during the current period.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as bond issuance costs, 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 uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

L. Post Employment Benefits Other than Pensions

The City pays health and life insurance premiums of retirees if they meet certain eligibility requirements. The City records the cost of this plan on a "pay-as-you-go" basis. This results in current insurance payments being recorded as expenditures or expenses in the financial statements in the period the insurance is paid. It is the City's policy to pay these premiums on a monthly basis in the period the insurance services were provided.

M. Net Position

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

- *Net investment in capital assets* – This category groups all capital assets including infrastructure into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributed to the acquisition, construction or improvement of these assets reduce the balance in this category.

Note 1 - Summary of Significant Accounting Policies (continued)

- *Restricted net position* – This category presents external restrictions imposed by creditors, grantors, or laws and regulations of other governments.
- *Unrestricted net position* – This category presents the net position of the City, not restricted for any purpose.

N. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The City itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Commission. The City Commission is the highest level of decision-making authority for the City that can, by adoption of a resolution or an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution or ordinance remains in place until a similar action is taken (the adoption of another resolution or ordinance) to remove or revise the limitation. In the State of Florida, both a resolution and ordinance are equally binding and have equal power in creating laws.

Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as committed. Assignments of fund balance reflect tentative plans by management that may be subject to change and may be removed by informal action of the City Commission. The City Commission is the official governing body authorized to assign fund balance, however, there is not a formal policy. The City Commission may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The non-spendable fund balance includes items that cannot be spent because they are not in spendable form, such as long term portions of receivables, inventories, prepaid items. Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation. Residual net resources are reported as unassigned fund balance and are the excess of non-spendable, restricted, committed, and assigned fund balance. The General Fund is the only fund that reports a positive unassigned fund balance amount as all other governmental funds are setup for a specific purpose, however, all other governmental funds may report a negative unassigned fund balance.

O. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources,* represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The City only has two items that qualify for reporting in this category. They are the *deferred outflows related to pensions* and the *deferred outflows related to OPEB* reported in the government-wide statement of net position. A deferred outflow related to pensions is an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.* The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows related to pensions are further discussed in Note 11. A deferred outflow related to OPEB is an aggregate

Note 1 - Summary of Significant Accounting Policies (continued)

of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB).* The deferred outflows related to OPEB will be recognized as either OPEB expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows related to OPEB are further discussed in Note 12.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources,* represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has only four items, which qualify for reporting as deferred inflows of resources.

The first item reported as deferred inflows of resources is the *deferred inflows related to pensions,* and is reported in the government-wide statement of net position. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.* The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years. Details on the composition of the deferred outflows related to pensions are further discussed in Note 11.

The second item reported as deferred inflows of resources is the *deferred inflows related to OPEB,* and is reported in the government-wide statement of net position. The deferred inflows related to OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for OPEB.* The deferred inflows related to OPEB will be recognized as a reduction to OPEB expense in future reporting years. Details on the composition of the deferred outflows related to OPEB are further discussed in Note 12.

The third item reported as deferred inflows of resources is the *deferred inflows related to leases*. The deferred inflows related to leases are an aggregate of items calculated in accordance with GASB Statement No. 87, Leases. The deferred inflows related to this item will be recognized as rent revenue in future years.

The fourth and final deferred inflow of resources arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue,* is reported only in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

P. Net Position Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g. grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted – net position is applied.

Q. Pensions / Net Pension Liability

In the government-wide financial statements as well as the proprietary fund financial statements, net pension liability represents the City's proportionate share of the net pension liability of the cost-sharing pension in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing plan's fiduciary net

Note 1 - Summary of Significant Accounting Policies (continued)

position. A net pension asset is reported when the plan's fiduciary net position exceeds the total pension liability. In such cases, the City reports its proportionate share of the excess as a net pension asset. The government-wide financial statements also contain the net pension liabilities and, where applicable, net pension assets associated with both of the single employer pension plans in which the City participates.

The City participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by Florida Division of Retirement (collectively, FRS/HIS) as well as two single-employer pension plans for fire (Chapter 175, Florida Statutes) and police (Chapter 185, Florida Statutes).

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS/HIS and additions to/deductions from FRS/HIS's fiduciary net position have been determined on the same basis as they are reported by FRS/HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

R. Fund Balance Flow Assumption

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

S. Encumbrances

Encumbrance accounting is employed in the governmental funds. Under this method, purchase orders, contracts, memoranda of understanding, and other commitments outstanding at year-end do not constitute expenditures or liabilities. GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* provides additional guidance on the classification within the fund balances section of amounts that have been encumbered. Encumbrances of balances within the governmental funds are classified as committed, restricted or assigned and are included in the respective functional categories. These encumbrances are not separately classified in the financial statements and are summarized as follows:

General Fund	$ 338,283
Building Inspection Fund	819,373
Sanford CRA	2,209,494
Fire Impact Fee Fund	15,858
Police Impact Fee Fund	214,033
Recreation Impact Fee Fund	12,915
Local Option Sales Tax Fund	425,274
LIHEAP Grant Fund	129
CDBG Grant Fund	100,088
2023 Bond Construction Fund	6,639,116
Capital Replacement Fund	3,537,698
	$ 14,312,261

Note 1 - Summary of Significant Accounting Policies (continued)

T. Minimum Fund Balance Policy

The City Commission has informally set policy to provide for a 14% minimum fund balance policy for the General Fund based on budgeted expenditures; this amount is currently reported as unassigned and totals $11,982,668 of the 2026 adopted budget.

Note 2 - Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

The following procedures are used to establish the budgetary data reflected in the financial statements:

(1) On or before July 1 of each year, the City Manager submits to the City Commission a proposed operating budget for the fiscal year commencing the following October 1.

(2) Public hearings are conducted to obtain taxpayer comments.

(3) Prior to October 1, the budget is legally enacted through passage of a resolution.

(4) Formal budgetary integration is employed as a management control device during the year for all funds which have a legally adopted budget, including the General Fund, Sanford Community Redevelopment Agency, Building Inspection Fund, ARPA Fund, Local Option Gas Tax Fund, Local Option Sales Tax Fund, Law Enforcement Trust Fund, Police Education Fund, Cemetery Fund, LIHEAP Grant Fund, Police Impact Fee Fund, Fire Impact Fee Fund, Recreation Impact Fee Fund, CDBG Grant Fund, Public Art Commission Fund, 9th Cent Sales Tax Fund, Debt Service Fund, Capital Recovery Fee Fund, Capital Replacement Fund, Catalyst Fund, Water and Sewer Fund, Solid Waste Fund, and Stormwater Fund. The City does not prepare a budget for the Premium Tax Trust Fund, NSP Grant Fund, Golf Course Fund, or the Marina Fund.

(5) Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

(6) The City Manager is authorized by the City Commission to transfer budgeted funds less than $50,000 within and/or between functions and/or departments of a fund without limit of the number of transactions. At any time during the fiscal year, the City Manager may transfer part or all of any unencumbered appropriation among programs within and/or between functions and/or departments. The classification detail at which expenditures may not legally exceed appropriations is at the fund level and the Commission must approve all items that change a funds total budget. The City's budget is adopted by the fund level.

(7) While all appropriations and encumbrances lapse at year-end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

(8) Supplemental appropriations beyond those for which the City Manager is authorized must be approved by the City Commission. There were a number of such supplemental appropriations made during the fiscal year.

B. Deficit Fund Equity

The CDBG Grant Fund and NSP Grant Fund had deficit fund balances of $(28,594), and $(299) respectively, as of September 30, 2025. These fund deficits are due to timing issues with grants unavailable at the end of the fiscal year, and the City will be reimbursed by the appropriate parties in 2026.

Note 3 - Deposits and Investments

The fair value of the City's deposits and investments as of September 30, 2025 is as follows:

		Carrying Value
Governmental and Business-type Activities:		
Bank Deposits	$	15,409,631
Local Government Surplus Funds Trust		78,385,263
Investment Accounts		168,820,977
Total Governmental and Business-type Activities		262,615,871
Pension Trust Funds:		
Cash		681
Money Market Funds		7,547,149
US Government Obligations		5,401,306
Mortgage/Asset Backed Securities		4,863,073
Corporate Debt		702,541
Mutual Funds		67,401,066
Equity		17,500,319
Real Estate		14,242,593
Total Pension Trust Funds		117,658,728
Total Primary Government	$	380,274,599
Classified as:		
Government-Wide Statement of Net Position:		
Cash and cash equivalents	$	15,409,630
Investments		232,661,660
Restricted investments		14,544,581
Statement of Fiduciary Net Position:		
Cash and cash equivalents		7,547,830
Investments		110,110,898
	$	380,274,599

Governmental and Business-type Activities Deposits & Investments

The City Charter, Florida Statutes, and bond resolutions authorize the City to invest in direct obligations of the United States of America, obligations of federal agencies and instrumentalities of the United States of America, certificates of deposit, money market mutual funds, and the Florida State Board of Administration's (SBA) Local Government Surplus Funds Trust Fund. Such investments are stated at amortized cost, which approximates fair value, and are not rated as to credit quality. Investments other than the Local Government Surplus Funds Trust Fund are stated at fair value. The Local Government Surplus Funds Trust Fund is governed by Ch. 19-7 of the Florida Administrative Code, which identifies the Rules of the State Board of Administration. These rules provide guidance and establish the general operating procedures for the administration of the Local Government Surplus Funds Trust Fund. Additionally, the Office of the Auditor General performs the operational audit of the activities and investments of the State Board of Administration. The Local Government Surplus Funds Trust Fund is not a registrant with the Securities and Exchange Commission (SEC); however, the Board has adopted operating procedures consistent with the requirements for a 2a-7-like fund. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates.

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)

Deposits and investments of the Pension Trust Funds are held separately from those of other City funds and an independent investment manager and custodial bank handles all such investments.

As of September 30, 2025, the City's Governmental and Business-type investment portfolio is composed of the following investments:

Investment Type	Type	Moody's Credit Rating	Fair Value	Weighted Average Investment Maturities (in Years) Less Than 1	1 - 5
State Board of Administration	LGIP	**	$ 21,501,350	$ 21,501,350	$ -
Florida Star	LGIP	**	56,883,913	56,883,913	-
U.S. Treasury Bonds/Notes	Fixed Income	AAA	61,932,498	-	61,932,498
Federal Agency Bonds	Fixed Income	AAA	2,810,668	-	2,810,668
Federal Agency Bonds	Fixed Income	NR	55,495,979	6,285,261	49,210,718
Asset Backed Securities	Fixed Income	NR	6,990,806	1,845,657	5,145,149
Asset Backed Securities	Fixed Income	AAA	8,254,890	11,614	8,243,276
Government Backed Securities	Fixed Income	A+	1,314,063	-	1,314,063
Government Backed Securities	Fixed Income	A-	440,707	-	440,707
Government Backed Securities	Fixed Income	AA	1,343,469	237,460	1,106,009
Government Backed Securities	Fixed Income	NR	1,315,319	-	1,315,319
Variable Note	Fixed Income	AAA	39,589	39,589	-
Corporate Debt	Fixed Income	A	5,710,249	2,302,755	3,407,494
Corporate Debt	Fixed Income	A-	5,124,483	1,390,264	3,734,219
Corporate Debt	Fixed Income	A+	12,009,489	-	12,009,489
Corporate Debt	Fixed Income	AA+	1,453,328	-	1,453,328
Corporate Debt	Fixed Income	AA-	4,585,440	2,217,797	2,367,643
Total Portfolio			$ 247,206,240	$ 92,715,660	$ 154,490,580

**Not rated by Moody's

The City categorizes its fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application* with the exception for the position in the Florida State Board of Administration's investment Pool as it qualify's as a 2a7-like pool and is reported at the net asset value per share. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The City uses a market approach in measuring fair

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)
value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs and are valued using the asset-class-based matrix; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of September 30, 2025:

Investments by fair value level	Total Fair Value Amount	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Corporate Bonds	$ 28,882,989	$ -	$ 28,882,989	$ -
Federal Agency Bonds	58,306,647	-	58,306,647	-
Government Backed Securities	4,413,558	-	4,413,558	-
US Government Bonds	61,932,498	-	61,932,498	-
Asset Backed Securities	15,245,696	-	15,245,696	-
Variable Amount Note	39,589	-	39,589	-
Total Portfolio	$ 168,820,977	$ -	$ 168,820,977	$ -

Other Investments	
Florida PRIME	$ 21,501,350
Florida STAR	56,883,913
Total other investments	78,385,263
Total Investments	$ 247,206,240

Interest Rate Risk. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to no longer than 2.5 years, and at all times 25% of the portfolio shall mature within one year. For purposes of meeting this limitation, variable rate securities shall be measured on the basis of the period elapsed between interest reset dates. No investment shall be made in an instrument with a stated final maturity longer than 5 years.

Florida PRIME uses a weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the monies in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, and the investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency

Note 3 - Deposits and Investments (continued)

Governmental and Business-type Activities Deposits & Investments (continued)
meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days." As of June 30, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Credit Risk. It is the city's policy to limit its investments to US Treasury Obligations, Federal Agency Securities, Federal Instrumentality Securities, Repurchase Agreements with Primary Dealers reporting to the Federal Reserve Bank of New York and that have a nationally recognized statistical rating organization (NSRO) rating of A or A-1, commercial paper with a NSRO rating of A-1, P-1 or if the issuer has senior debt a rating of at least A or A2, corporate securities with a NSRO of at least A, A2, intergovernmental investment pools and a NSRO rating of AAAm, Aaa, State of Florida Local Government Surplus Funds Trust, money market funds with a NSRO rating of AAAf, money market funds with a rating of AAAm, Aaam, certificates of deposit, and guaranteed investment contracts. All NSRO ratings can be equivalent to those in the policy.

Custodial Credit Risk - Bank Deposits. Bank deposits are insured by the FDIC up to $250,000. Amounts in excess of $250,000 are secured by the Public Deposits Trust Fund maintained by the Treasurer of the State of Florida. The Trust Fund is a multiple financial institution pool with the ability to assess its members' financial institutions for collateral shortfalls if a member fails. For this reason, deposits are considered substantially insured.

Custodial Credit Risk - Investments. For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments. To mitigate this risk, the City's investment policy requires that the Finance Director utilize one or more banks in providing third-party safekeeping and custodial services for the City, and that a City-approved Safekeeping Agreement be executed with each custodian. The purchase and sale of securities and repurchase agreement transactions must be settled on a delivery versus payment basis. Ownership of all securities is required to be perfected in the name of the City, and sufficient evidence to title must be consistent with modern investment, banking, and commercial practices.

Concentration of Credit Risk. The investment portfolio policy of the City has the objective of structuring investments so as to not allow the following caps to be exceeded:

Allowed Securities
With Credit Exposure as a Percentage of Total Investments

Type of Investment	Percentage of Total
U.S. Treasury Obligations	100%
Federal Agency Securities	100%
Federal Instrumentality Securities	100%
Repurchase Agreements	100%
Commercial Paper (limited to 5% in one issuer)	20%
Corporate Securities (limited to 5% in one issuer)	20%
Intergovernmental Investment Pools	30%
State of Florida Local Government Surplus Funds Trust Fund	30%
Money Market Mutual Funds	100%
Time Certificates of Deposit (limited to 5% in one issuer)	20%
Guaranteed Investment Contract	100%

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Real estate assets are reported at fair value utilizing an income approach to valuation. An independent investment manager and custodial bank handles all pension investments and check-writing duties. No investments in loan to, or leases with, any parties related to the pension plans have been made. The city commission establishes and amends the investment policy. The following was the adopted asset allocation policy for both the police and fire pension plans as of September 30, 2025:

	Police	Fire
Asset Class	Target Allocation	Target Allocation
Large cap equity	30.0%	30.0%
Mid cap equity	15.0%	12.5%
Small cap equity	12.5%	12.5%
Foreign equity	7.5%	10.0%
Real estate	15.0%	15.0%
Fixed income	20.0%	20.0%
Total	100.0%	100.0%

Credit Risk and Concentration of Credit Risk. Investment guidelines limit cash and cash equivalents to U.S. Government obligations, certificates of deposit, and repurchase agreements with major money center banks, commercial paper rated A-1 by Standard & Poor's or P-1 by Moody's. Equity securities are limited to issues of U.S. corporations with a rating by a major rating service in one of the three highest classifications, limited to fifty percent (50%) of the fund's assets overall for the police officers and fifty-five percent (55%) for the firefighters, and limited to five percent (5%) of the equity portfolio value invested in any single corporation.

In addition, the police officers' and firefighters' plans require fixed income securities to comprise a minimum fifty percent (50%) for police and fifty-five percent (55%) for fire of the total assets at cost with a limit to any single corporation of five percent (5%) of the total bond portfolio. The fixed income portfolio is limited to U.S. Government and U.S. Government Agency bonds, and/or bonds issued by U.S. corporations. No investment in any one organization exceeds five percent (5%) or more of plan net assets.

Interest Rate Risk. The City manages its interest rate risk exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than ten years.

Money-Weighted Rate of Return. For the year ended September 30, 2025 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, for the police officers' and firefighters' plans were 10.22% and 8.66% respectively.

With the exception of real estate investments that are valued at net asset value, the pension funds categorize their fair value measurements within the fair value hierarchy established in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The pension funds use a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments (continued)

Assets or liabilities are classified into one of three levels. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The pension funds have the following recurring fair value measurements as of September 30, 2025:

Investments by fair value level	Total Fair Value 9/30/2025	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash Equivalents	$ 7,547,830	$ 7,547,830	$ -	$ -
US Government Obligations	5,401,306	-	5,401,306	-
Mortgage/Asset Backed Securities	4,863,073	-	4,863,073	-
Corporate Bonds	702,541	-	702,541	-
Common Stock	16,625,720	16,625,720	-	-
Foreign Stock	874,599	874,599	-	-
Mutual Funds - Fixed Income	4,793,060	4,793,060	-	-
Mutual Funds - Equity	57,099,707	57,099,707	-	-
Sundry Assets	5,508,299	-	-	5,508,299
Total investments by fair value level	103,416,135	86,940,916	10,966,920	5,508,299
Investments measured at the net asset value (NAV)				
Real Estate Funds	14,242,593	-	-	-
Total investments measured at the NAV	14,242,593	-	-	-
Total investments measured at fair value	$ 117,658,728	$ 86,940,916	$ 10,966,920	$ 5,508,299

The pension funds have US Government obligations, mortgage/asset backed securities as well as corporate bonds categorized as level 2 assets. Level 2 asset inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, interest rates and yield curves observable at commonly quoted intervals; implied volatilities; credit spread, and market-corroborated inputs. The pension funds have four different investments in real estate that are measured at net asset value. The police and fire pension funds both have $1,930,760 and $1,514,865 respectively in the ASB and this investment requires a 30-day notice for withdrawal requests and are honored on a quarterly basis. In the event of an exit que, withdrawal requests will be honored on a pro rata basis on fund cash flows. The police and fire funds both have $2,706,732 and $3,850,447 respectively in Intercontinental and this investment will process withdrawal requests on the last day of the calendar quarter following the quarter in which notice was received. In the event of a redemption que, redemption requests will be accommodated each calendar quarter on a pro rata basis as the fund's liquid assets permit. The police pension fund has $1,984,201 invested in FIA and this investment is an illiquid, long-term investment. Investment capital will be returned at the end of the product's investment period that is in approximately 37 years. The police pension fund has $2,255,588 invested in Ceres and this investment allows withdrawals once per year with a request deadline of September 30. Redemption requests made by that date will be distributed before the end of February of the following year.

Note 3 - Deposits and Investments (continued)

Pension Trust Fund Investments (continued)

Defined-Benefit Pension Plan investments that were subject to interest rate risk were as follows at September 30, 2025:

Investment Type	Type	Moody's Credit Quality Rating	Fair Value	Weighted Average Investment Maturities (in Years) Less Than 1	1 - 5	6 - 10	More than 10
Firefighters' Pension:							
US Government Obligations	Fixed Income	Aaa	$ 5,401,306	$ -	$ 462,007	$ 2,931,071	$ 2,008,228
Mortgage/Asset Backed	Fixed Income	NR*	4,863,073	-	-	-	4,863,073
Corporate Debt	Fixed Income	A1	124,946	-	-	124,946	-
Corporate Debt	Fixed Income	Aa2	388,434	-	-	388,434	-
Corporate Debt	Fixed Income	A3	189,161	-	-	189,161	-
Total Firefighters' Pension			10,966,920	-	462,007	3,633,612	6,871,301
Total Pension Investments			$ 10,966,920	$ -	$ 462,007	$ 3,633,612	$ 6,871,301

* Not Rated

Investment Income

The City maintains cash and investment pools that are available for use by all funds, except those whose cash and investments must be segregated due to bond covenants or other legal restrictions, and the Pension Trust Funds. Investment earnings from this internal pooling are allocated to the respective funds based on the sources of funds invested.

Note 3 - Deposits and Investments (continued)

Investment Income (continued)

Investment income for the year ended September 30, 2025 consisted of the following:

	General Fund	Sanford CRA Fund	Nonmajor Govern-mental Funds	Proprietary Funds
Interest income	$ 2,512,014	$ 276,329	$ 2,400,511	$ 4,600,998
Net increase (decrease) in fair value of investments	505,740	56,714	306,037	861,026
Investment earnings/(losses)	$ 3,017,754	$ 333,043	$ 2,706,548	$ 5,462,024

Note 4 - Receivables

The following is a detailed listing of receivables by type and fund at September 30, 2025:

	Primary Government	
	Governmental Activities	Business-type Activities
Receivables:		
Accounts Billed	$ 79,937	$ 3,207,939
Unbilled Receivables	-	5,428,296
Investment Income	546,035	465,854
Code Enforcement	20,009,543	-
Lease Receivables	1,232,257	876,546
Other Miscellaneous	5,684,055	306,682
Gross Receivables	27,551,827	10,285,317
Less: Allowance for Uncollectibles	21,615,877	625,719
	$ 5,935,950	$ 9,659,598

Note 5 - Capital Assets

During the year ended September 30, 2025, the following changes in governmental activities capital assets occurred:

	Balance October 1, 2024	Additions	Reductions/ Transfers	Balance September 30, 2025
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 6,712,511	$ -	$ -	$ 6,712,511
Construction in progress	5,155,949	10,009,512	(605,255)	14,560,206
Total capital assets, not being depreciated	11,868,460	10,009,512	(605,255)	21,272,717
Capital assets, being depreciated:				
Buildings	85,379,417	-	10,731	85,390,148
Machinery and equipment	28,805,884	4,401,608	(2,180,771)	31,026,721
Infrastructure	174,069,717	450,080	375,127	174,894,924
Intangible RTU Assets:				
Leased Equipment	703,986	164,821	(223,571)	645,236
Leased Land	190,136	239,786	(11,635)	418,287
Subscription-Based IT Arrangements	2,525,357	150,077	-	2,675,434
Total capital/intangible assets, being depreciated/amortized	291,674,497	5,406,372	(2,030,119)	295,050,750
Less accumulated depreciation for:				
Buildings	51,596,649	2,317,022	-	53,913,671
Machinery and equipment	20,692,286	2,803,289	(2,168,409)	21,327,166
Infrastructure	100,610,892	5,665,354	-	106,276,246
Less accumulated amortization for:				
Leased Equipment	423,903	158,712	(194,173)	388,442
Leased Land	35,222	92,282	(11,636)	115,868
Subscription-Based IT Arrangements	728,345	623,833	-	1,352,178
Total accumulated depreciation/amortization	174,087,297	11,660,492	(2,374,218)	183,373,571
Total capital/intangible assets, being depreciated/amortized, net	117,587,200	(6,254,120)	344,099	111,677,179
Governmental activities capital assets, net	$ 129,455,660	$ 3,755,392	$ (261,156)	$ 132,949,896

Governmental activities depreciation/amortization expense was charged to functions/programs as follows:

General government	$ 4,343,521
Public safety	2,733,039
Physical environment	3,036,964
Transportation	269,811
Economic environment	1,178,470
Human services	2,658
Culture and recreation	96,029
	$ 11,660,492

Note 5 - Capital Assets (continued)

During the year ended September 30, 2025, the following changes in business-type activities capital assets occurred:

	Balance October 1, 2024	Additions	Reductions/ Transfers	Balance September 30, 2025
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 8,074,873	$ -	$ -	$ 8,074,873
Construction in progress	70,507,651	32,147,647	(6,512,227)	96,143,071
Total capital assets, not being depreciated	78,582,524	32,147,647	(6,512,227)	104,217,944
Capital assets, being depreciated:				
Buildings	41,657,849	-	338,129	41,995,978
Water and sewer system	188,474,360	4,281,605	5,991,696	198,747,661
Stormwater management	32,948,153	-	182,402	33,130,555
Machinery and equipment	21,638,810	1,385,527	(705,487)	22,318,850
Infrastructure	3,223,988	338,129	-	3,562,117
Intangible RTU Assets:				
Leased Equipment	227,192	45,699	(227,192)	45,699
Total capital assets, being depreciated/amortized	288,170,352	6,050,960	5,579,548	299,800,860
Less accumulated depreciation for:				
Buildings	30,274,064	1,039,669	-	31,313,733
Water and sewer system	62,173,054	3,218,552	-	65,391,606
Stormwater management	14,993,123	1,226,050	-	16,219,173
Machinery and equipment	14,981,074	1,786,336	(683,296)	16,084,114
Infrastructure	2,648,525	154,026	-	2,802,551
Less accumulated amortization for:				
Leased Equipment	151,970	8,378	(151,969)	8,379
Total accumulated depreciation/amortization	125,221,810	7,433,011	(835,265)	131,819,556
Total capital assets, being depreciated/amortized, net	162,948,542	(1,382,051)	6,414,813	167,981,304
Business-type activities capital assets, net	$ 241,531,066	$ 30,765,596	$ (97,414)	$ 272,199,248

Business-type activities depreciation/amortization expense was charged to functions/programs as follows:

Water and sewer	$ 5,342,099
Stormwater	1,937,381
Marina	8,378
Golf course	145,153
	$ 7,433,011

Note 6 - Long-Term Debt

A. Changes in Long-Term Debt

Changes in long-term debt for the year ended September 30, 2025 are summarized as follows:

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities.

Compensated absences have been liquidated using the City's General Fund, LIHEAP Grant Fund, Building Inspection Fund, CRA Fund, Water and Sewer Fund, Stormwater Fund and Solid Waste Fund. The entire claims liability is reported in the risk management internal service fund and will be liquidated by that fund. Accrued clean-up and long-term care costs are liquidated by the General Fund. Other postemployment benefits are liquidated by the General Fund, Water and Sewer Fund, Wastewater Fund, and Stormwater Fund. Net pension liability is liquidated using the General Fund, Sanford CRA, Water and Sewer Fund, Wastewater Fund, and Stormwater Fund.

	Balance October 1, 2024	Additions	Reductions	Balance September 30, 2025	Long-term Portion	Due Within One Year
Governmental activities:						
Notes payable (Direct placement)	$ 18,740,000	$ -	$ (330,000)	$ 18,410,000	$ 18,065,000	$ 345,000
Plus bond premium	683,814	-	(170,954)	512,860	341,906	170,954
Other post-employment benefits	14,308,353	-	(1,503,518)	12,804,835	12,205,538	599,297
Net pension liability	30,506,317	462,915	(4,371,678)	26,597,554	26,597,554	-
Compensated absences	4,099,582	3,216,895	(3,488,573)	3,827,904	2,237,010	1,590,894
Claims payable	4,141,989	1,511,740	(343,741)	5,309,988	1,196,737	4,113,251
SBITAs	1,771,419	144,860	(508,264)	1,408,015	997,437	410,578
Financed purchase agreements	2,059,851	-	(802,582)	1,257,269	595,491	661,778
Leases	487,254	404,607	(312,711)	579,150	457,402	121,748
Governmental activity long-term liabilities	$ 76,798,579	$ 5,741,017	$ (11,832,021)	$ 70,707,575	$ 62,694,075	$ 8,013,500
Business-type activities:						
SRF loans (Direct borrowing)	$ 49,224,473	$ 6,055,267	$ (3,765,413)	$ 51,514,327	$ 46,770,342	$ 4,743,985
Other post-employment benefits	4,518,566	-	(416,251)	4,102,315	3,936,399	165,916
Net pension liability	10,351,696	-	(930,706)	9,420,990	9,420,990	-
Leases	73,895	45,699	(81,763)	37,831	28,902	8,929
Compensated absences	811,400	962,285	(845,711)	927,974	514,234	413,740
Business-type activity long-term liabilities	$ 64,980,030	$ 7,063,251	$ (6,039,844)	$ 66,003,437	$ 60,670,867	$ 5,332,570

Note 6 - Long-Term Debt (continued)

B. Governmental Activities - Capital Improvement Revenue Bond

On May 1, 2023, the City issued $19,180,000 of Capital Improvement Revenue Bonds, Series 2023 for the purpose of a current refunding all of the City's outstanding Sales Tax Revenue Note, Series 2012, which were issued for the construction of a public safety complex to include a fire, police, and Emergency Operations Center (EOC) and to fund capital improvements throughout the City. The bond bears interest at 3.98%, payable semiannually on April 1 and October 1. Principal payments are due and payable on October 1 of each fiscal year beginning October 1, 2023 through October 1, 2052. The 2023 bonds are secured by all non-ad valorem revenues and was issued at a premium of $1,025,722. The 2023 Capital Improvement Revenue Bonds will mature as follows:

Fiscal Year Ending September 30,	Capital Improvement Revenue Bonds, Series 2023		Total Debt Service
	Principal	Interest	
2026	$ 345,000	$ 818,500	$ 1,163,500
2027	365,000	801,250	1,166,250
2028	385,000	783,000	1,168,000
2029	400,000	763,750	1,163,750
2030	420,000	743,750	1,163,750
2031-2035	2,450,000	3,380,500	5,830,500
2036-2040	3,125,000	2,703,750	5,828,750
2041-2045	3,930,000	1,889,800	5,819,800
2046-2050	4,795,000	1,029,400	5,824,400
2051-2052	2,195,000	132,600	2,327,600
	$ 18,410,000	$ 13,046,300	$ 31,456,300

C. Bonds, Notes & Loans Payable

The 2023 Bond Refunding:

The 2023 Bonds refunded the Sales Tax Refunding Revenue Note, Series 2012 on May 1, 2023. The 2012 bonds had $6,270,000 outstanding in principal and $732,063 in future interest payments upon redemption. The 2023 bonds were undertaken with $19,180,000 payable in principal and $15,089,133 payable in interest for a net difference of $27,267,070 due over the new extended term to October 2052 vs October 2028 of the 2012 refunding bonds. The premium on this refunding was $1,025,722.

The City has revenue bonds and notes outstanding at September 30, 2025. The revenue notes and bonds under governmental activities are secured by several pledged revenue sources. The following is a summary schedule of these long-term obligations of the City and their impact on those present and future pledged revenue sources:

Note 6 - Long-Term Debt (continued)

C. Bonds, Notes & Loans Payable (continued)

	Purpose of Issue	Revenue Pledged	Amount Issued
Governmental Activities			
Revenue Bonds:			
Capital Improvement Revenue Bonds, Series 2023	Public safety complex and Capital Improvements	Non-Ad Valorem Revenue	19,180,000
Financed purchase agreements:			
U.S. Bancorp Government	Police vehicles	N/A	745,000
Truist	Police vehicles	N/A	824,000
Cogent Bank	Police vehicles	N/A	947,441
Cogent Bank	Police vehicles	N/A	1,108,985
Total Governmental Activities:			$ 22,805,426
Business-type Activities			
Water/Sewer Utility Debt:			
State Revolving Fund Loans:			
WW586250	Sanford south water resource center, Phase I	Net revenues of water and sewer system	19,367,124
WW590100	Sewer Restoration of underground pipe and Manhole Rehabilitation	Net revenues of water and sewer system	2,622,385
WW590101	Sewer Restoration of underground pipe and Manhole Rehabilitation	Net revenues of water and sewer system	205,020
DW590110	Drinking water system improvements	Net revenues of water and sewer system	455,247
DW590120	AMR Water Replacement and pre-chlorinated water pipe bursting	Net revenues of water and sewer system	12,887,771
WW590130	Water Treatment facility rehabilitation	Net revenues of water and sewer system	986,973
WW590131	Biological nutrient removal improvements	Net revenues of water and sewer system	18,395,031
WW590150	Water Treatment facility construction	Net revenues of water and sewer system	9,840,912
WW590191	Drinking Water facility construction	Net revenues of water and sewer system	511,323
WW590192	Drinking Water facility construction	Net revenues of water and sewer system	18,498,493
Total Water/Sewer Utility Debt			83,770,279
Stormwater Utility Debt:			
State Revolving Fund Loans:			
SWG12058624P	Stormwater management	Net revenue of the stormwater system	4,623,557
SW586260	Stormwater management	Net revenue of the stormwater system	2,612,309
SW586261	Stormwater management	Net revenue of the stormwater system	452,818
SW590140	Stormwater management	Net revenue of the stormwater system	509,302
SW590141	Stormwater management	Net revenue of the stormwater system	4,854,629
Total Stormwater Utility Debt			13,052,615
Total Business-type Activities:			$ 96,822,894

Note 6 - Long-Term Debt (continued)

C. Bonds, Notes & Loans Payable (continued)

	Amount O/S and/or Pledged	Interest Rate	Debt Service as Portion of Revenue Pledged	Total Debt Service Paid	Annual Pledged Revenues
Governmental Activities					
Reveue Bonds:					
Capital Improvement Revenue Bonds, Series 2023	$ 18,410,000	3.98%	0.86%	$ 330,000	$ 38,180,850
Financed purchase agreements:					
Truist	-	0.980%	N/A	94,729	N/A
Truist	159,168	1.85%	N/A	239,133	N/A
Cogent	313,664	4.30%	N/A	208,827	N/A
Cogent	784,437	4.96%	N/A	259,893	N/A
Total Governmental Activities:	$ 19,667,269			$ 1,132,582	
Business-type Activities					
Water/Sewer Utility Debt:					
State Revolving Fund Loans:					
WW586250	1,779,089	2.42%- 2.48%	7.75%	1,150,747	14,840,595
WW590100	861,768	2.65%	0.97%	143,715	14,840,595
WW590101	65,832	2.28%	0.07%	11,112	14,840,595
DW590110	151,251	2.71%	0.17%	25,174	14,840,595
DW590120	4,925,711	1.98% - 2.66%	3.98%	590,409	14,840,595
WW590130	645,789	2.63% - 2.87%	0.32%	46,847	14,840,595
WW590131	11,661,454	1.43%-2.16%	3.59%	532,462	14,840,595
WW590150	7,301,981	.58%-1.09%	3.39%	502,580	14,840,595
WW590191	289,941	1.04%	0.38%	56,209	14,840,595
WW590192	18,498,492	0.05%	0.00%	-	14,840,595
Total Water/Sewer Utility Debt	46,181,308			3,059,255	
Stormwater Utility Debt:					
State Revolving Fund Loans:					
SWG12058624P	588,925	2.52%-2.90%	9.60%	282,690	2,944,517
SW586260	866,988	2.80%	4.89%	143,878	2,944,517
SW586261	156,967	2.28%	0.82%	24,147	2,944,517
SW590140	266,072	2.63%	0.70%	20,613	2,944,517
SW590141	3,454,067	1.05-1.18%	7.98%	234,830	2,944,517
Total Stormwater Utility Debt	5,333,019			706,158	
Total Business-type Activities:	$ 51,514,327			$ 3,765,413	

Note 6 - Long-Term Debt (continued)

D. Financed Purchase Agreements

The City has entered into several financed purchase agreements detailed below.

On March 1, 2021 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at .98% and calls for quarterly payments of $47,538. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are $745,000 and $602,742, respectively, as of September 30, 2025.

On April 14, 2022 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 1.85% and calls for quarterly payments of $53,548. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are $824,000 and $600,514, respectively, as of September 30, 2025.

On December 15, 2022 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 4.30% and calls for quarterly payments of $64,770. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are $947,441 and $576,873, respectively, as of September 30, 2025.

On July 8, 2024 the City entered into an agreement with a local finance company to finance the acquisition of police vehicles. The agreement has a 4-year fixed term at 4.96% and calls for quarterly payments of $76,727. The aggregate cost and accumulated depreciation of the governmental activities machinery & equipment asset acquired through the finance lease are $1,108,985 and $447,638, respectively, as of September 30, 2025.

The future minimum obligations and the net present value of these minimum payments as of September 30, 2025, were as follows:

Financed Purchase Agreements

	Governmental Activities		
Year ending September 30,	Principal	Interest	Total
2026	$ 681,778	$ 44,855	$ 726,633
2027	350,903	20,775	371,678
2028	224,589	5,593	230,182
	$ 1,257,270	$ 71,223	$ 1,328,493

Note 6 - Long-Term Debt (continued)

E. Accrued Clean-up and Long-Term Care Costs

The City is obligated to provide a share of clean-up costs in connection with the alleged release of hazardous substances and/or pollutants, as a result of the former operation of a manufactured gas plant during the 1880's until the year 1952. This obligation was formalized during 1992, when the City and five utility companies entered into a Cost Sharing Agreement providing for all parties to equally share in the funding of contamination assessment activities in an effort to evaluate potential soil and groundwater impacts, all in accordance with, and approved by, the U.S. Environmental Protection Agency. Terms of the agreement call for the City to be responsible for 13.7612% of the cost of cleaning up soil and groundwater at the site. There will also be an evaluation of surface water sediments at the site that could potentially result in additional costs, and actual costs may differ due to inflation, changes in technology, changes in laws and regulations, or determinations made by the Florida Department of Environmental Protection. Each of the parties must approve specific actions taken under the agreement. All amounts are based on what it would cost in current dollars.

The cost of clean-up activities has been estimated by an engineer to be $20 million, of which the City has no current responsibility.

Note 7 - Loans Payable - Enterprise Funds

Enterprise Funds loans are State Revolving Fund loans and are backed by the pledged revenues (gross revenue after payment of operation and maintenance expense) generated by the systems (stormwater and separately water and wastewater). The default remedies include court action and/or accelerating the repayment schedules or increasing the interest rate on the unpaid principal of the loan to as much as 1.667 times the loan interest rate. Enterprise Funds loans payable at September 30, 2025 are as follows:

Primary Government: Stormwater:

State Revolving Fund Loan SWG12058624P payable, $4,623,557 authorized, $4,623,557 drawn for planning and design for downtown drainage study, payable in 40 equal semiannual installments, including interest at 2.9% on $899,354, 2.81% on $2,199,972, and 2.52% on $1,524,231, on July 15 and January 15 of each year.	$	588,925
State Revolving Fund Loan SW586260 payable, $2,612,309 authorized, $2,612,309 drawn for planning and design for downtown drainage, payable in 40 equal semiannual installments, including interest at 2.8%, on October 15 and April 15 of each year.		866,988
State Revolving Fund Loan SW586261 payable, $452,818 authorized, $452,818 drawn for planning and design for downtown drainage, payable in 40 equal semiannual installments, including interest at 2.28%, on June 15 and December 15 of each year.		156,967
State Revolving Fund Loan SW590140 payable, $509,302 authorized, $509,302 drawn for planning and design for drainage, payable in 40 equal semiannual installments, including interest at 2.63%, on February 15 and August 15 of each year.		266,072
State Revolving Fund Loan SW590141 payable, $5,847,753 authorized, $4,854,629 drawn for planning and design for drainage, payable in 40 equal semiannual installments, including interest at 1.18% on $4,554,300, 1.05% on $1,293,453 on November 15 and May 15 of each year.		3,454,067
Subtotal primary Government: Stormwater	$	5,333,019

Note 7 - Loans Payable - Enterprise Funds (continued)

Primary Government: Water and Sewer:

State Revolving Fund Loan WW586250 payable, $19,367,124 authorized, $19,367,124 drawn for construction of wastewater pollution control facilities of South Water Resource Center, payable in 40 semiannual installments, including interest at 2.42% on $18,520,336 and 2.48% on $982,324, on February 15 and August 15 of each year.	$	1,779,089
State Revolving Fund Loan WW590100 payable, $2,622,385 authorized, $2,622,385 drawn for sewer restoration of underground pipe and manhole rehabilitation payable in 40 semiannual installments, including interest at 2.65% on December 15 and June 15 of each year.		861,768
State Revolving Fund Loan WW590101 payable, $205,020 authorized, $205,020 drawn for restoration of underground pipe and manhole rehabilitation, payable in 40 equal semiannual installments, including interest at 2.28%, on June 15 and December 15 of each year.		65,832
State Revolving Fund Loan DW590110 payable, $455,247 authorized, $455,247 drawn for pre-chlorinated water pipe bursting, payable in 40 equal semiannual installments, including interest at 2.71%, on March 15 and September 15 of each year.		151,251
State Revolving Fund Loan DW590120 payable, $17,105,683 authorized, $12,887,771 drawn for meter replacements and pre-chlorinated water pipe bursting auxiliary plant looping, payable in 40 equal semiannual installments, including interest at 1.98% to 2.66%, on February 15 and August 15 of each year.		4,925,711
State Revolving Fund Loan WW590130 payable, $986,973 authorized, $986,973 drawn for construction of wastewater transmission, collection, reuse, and treatment facilities, payable in 20 equal semiannual installments, including interest at 2.63% to 2.87%, on April 15 and October 15 of each year.		645,789
State Revolving Fund Loan WW590131 payable, $18,395,031 authorized, $18,395,031 drawn for construction of biological nutrient removal improvements, payable in 40 equal semiannual installments, including interest at 2.28% on April 15 and October 15 of each year.		11,661,454
State Revolving Fund Loan WW590150 payable, $10,401,065 authorized, $9,840,912 drawn for construction of wastewater pollution control facilities, payable in 40 equal semiannual installments, including interest at .545% to 1.09%, on February 15 and August 15 of each year.		7,301,981

Note 7 - Loans Payable - Enterprise Funds (continued)

State Revolving Fund Loan WW590191 payable, $555,477 authorized, $511,323 drawn for construction of Treatment Plant facilities plans, payable in 20 equal semiannual installments, including interest at 1.04%, on January 15 and July 15 of each year.	$	289,941
State Revolving Fund Loan WW590192 payable, $21,421,000 authorized, $18,498,492 drawn for construction of Treatment Plant facilities plans, payable in 20 equal semiannual installments, including interest at .05%, on February 15 and August 15 of each year.		18,498,492
Subtotal Primary Government : Water and Sewer		46,181,308
Total loans payable	$	51,514,327

Note 7 - Loans Payable - Enterprise Funds (continued)

Required principal and interest deposits for State Revolving Fund (SRF) loans are presented as part of restricted assets for debt service on the statement of net position. SRF Loan payments for the first years are based upon the full loan amount available, not the monies actually drawn to date. After completion of the project, a final loan dollar amount is established and a final loan payment/amortization schedule is established. Maturity schedules for those loans that have final loan payment/amortization schedules are as follows (loans DW590131, WW590150, and WW590192 are not closed out and do not have a final loan payment/amortization schedule at September 30, 2025):

Fiscal Year Ending	**SRF SWG12058624P**		
September 30,	Principal	Interest	Total
2026	$ 290,457	$ 14,119	$ 304,576
2027	298,468	6,109	304,577
	$ 588,925	$ 20,228	$ 609,153

Fiscal Year Ended	**SRF Loan SW586260**		
September 30,	Principal	Interest	Total
2026	$ 147,935	$ 23,247	$ 171,182
2027	152,106	19,076	171,182
2028	156,395	14,787	171,182
2029	160,804	10,378	171,182
2030	165,338	5,844	171,182
2031	84,410	1,181	85,591
	$ 866,988	$ 74,513	$ 941,501

Fiscal Year Ended	**SRF Loan SW586261**		
September 30,	Principal	Interest	Total
2026	$ 24,701	$ 3,439	$ 28,140
2027	25,268	2,872	28,140
2028	25,847	2,293	28,140
2029	26,440	1,700	28,140
2030	27,046	1,094	28,140
2031	27,665	475	28,140
	$ 156,967	$ 11,873	$ 168,840

Fiscal Year Ended	**SRF Loan SW590140**		
September 30,	Principal	Interest	Total
2026	$ 21,158	$ 6,861	$ 28,019
2027	21,718	6,301	28,019
2028	22,293	5,726	28,019
2029	22,884	5,136	28,020
2030	23,489	4,530	28,019
2031-2034	100,342	11,735	112,077
2035-2036	54,188	1,852	56,040
	$ 266,072	$ 42,141	$ 308,213

Fiscal Year Ended	**SRF Loan SW590141**		
September 30,	Principal	Interest	Total
2026	$ 237,590	$ 39,790	$ 277,380
2027	240,383	36,997	277,380
2028	243,209	34,171	277,380
2029	246,068	31,313	277,381
2030	248,960	28,420	277,380
2031-2034	1,289,391	97,509	1,386,900
2035-2036	948,466	22,364	970,830
	$ 3,454,067	$ 290,564	$ 3,744,631

Note 7 – Loans Payable - Enterprise Funds (continued)

Fiscal Year Ended September 30,	SRF Loan WW586250 Principal	Interest	Total
2026	$ 1,178,883	$ 36,117	$ 1,215,000
2027	600,206	7,293	607,499
	$ 1,779,089	$ 43,410	$ 1,822,499

Fiscal Year Ended September 30,	SRF Loan WW590100 Principal	Interest	Total
2026	$ 147,549	$ 21,866	$ 169,415
2027	151,485	17,930	169,415
2028	155,526	13,889	169,415
2029	159,675	9,740	169,415
2030	163,934	5,481	169,415
2031	83,599	1,107	84,706
	$ 861,768	$ 70,013	$ 931,781

Fiscal Year Ended September 30,	SRF Loan WW590101 Principal	Interest	Total
2026	$ 11,367	$ 1,437	$ 12,804
2027	11,628	1,176	12,804
2028	11,894	909	12,803
2029	12,167	637	12,804
2030	18,776	429	19,205
	$ 65,832	$ 4,588	$ 70,420

Fiscal Year Ended September 30,	SRF Loan DW590110 Principal	Interest	Total
2026	$ 25,861	$ 3,925	$ 29,786
2027	26,567	3,219	29,786
2028	27,292	2,494	29,786
2029	28,036	1,750	29,786
2030	43,495	1,184	44,679
	$ 151,251	$ 12,572	$ 163,823

Fiscal Year Ended September 30,	SRF Loan DW590120 Principal	Interest	Total
2026	$ 605,187	$ 118,845	$ 724,032
2027	620,338	103,694	724,032
2028	635,870	88,162	724,032
2029	651,792	72,240	724,032
2030	668,114	55,919	724,033
2031-2033	1,744,410	65,671	1,810,081
	$ 4,925,711	$ 504,531	$ 5,430,242

Fiscal Year Ended September 30,	SRF Loan WW590130 Principal	Interest	Total
2026	$ 48,064	$ 18,192	$ 66,256
2027	49,454	16,802	66,256
2028	50,883	15,373	66,256
2029	52,354	13,902	66,256
2030	53,867	12,389	66,256
2031-2035	293,613	37,667	331,280
2036-2037	97,554	2,844	100,398
	$ 645,789	$ 117,169	$ 762,958

Fiscal Year Ended September 30,	SRF Loan WW590191 Principal	Interest	Total
2026	$ 56,796	$ 2,868	$ 59,664
2027	57,388	2,276	59,664
2028	57,986	1,677	59,663
2029	58,591	1,073	59,664
2030	59,180	462	59,642
	$ 289,941	$ 8,356	$ 298,297

Note 8 - Landlord Leases

The City is the lessor on numerous building and land leases. The land leases are generally non-cancelable leases ranging from ten to seventy-five (10 - 75) years. The City leases seven pieces of land which are used for a cell tower, a restaurant, boat slips, cattle, an assisted living facility, and an equipment building. All improvements to the parcels belong to the tenants. The city also leases several buildings one of which is for a boys and girls club and the remainder are low-rent agreements, usually with nonprofit agencies offering public services. The total rental income for 2025 was $127,777 which includes both inflows recognized as well as the low-rent agreements.

Note 9 - Leases/SBITAs

Leases

The City has seven leases for equipment, land, and buildings which include a postage machine, vehicles, copiers, and four lots used for parking of which none of these will revert to the City at the close of the lease.

The land leases have a discount rate of 2.32% and 2.87% and remaining balances of $218,955 and will expire between May 31, 2027 and September 30, 2029.

The three equipment leases have discount rates ranging from 2.38% to 3.63% and a cumulative balance of $262,809 and will expire between September 30, 2026 and September 30, 2028.

SBITAs

The two SBITAs have discount rates ranging from 2.3% to 2.4% to and a cumulative balance of $997,437 and will expire between January 2028 and February 2028.

The future minimum lease/SBITA obligations and the net present value of these minimum lease payments as of September 30, 2025, were as follows:

	Leases	
Year Ending September 30,	Governmental Activities	Business-type Activities
2026	$ 127,219	8,928
2027	253,875	9,142
2028	121,186	10,153
2029	85,009	9,608
Total minimum lease payments	587,289	37,831
Less: Amount representing interest costs	(8,139)	-
Present value of minimum lease payments	$ 579,150	37,831

Note 9 - Leases/SBITAs (continued)

	SBITAs
Year Ending September 30,	Governmental Activities
2026	$ 437,138
2027	448,293
2028	569,401
2029	-
Total minimum lease payments	1,454,832
Less: Amount representing interest costs	(46,817)
Present value of minimum lease payments	1,408,015

Note 10 - Interfund Accounts and Transfers

Individual fund interfund receivables and payables at September 30, 2025 consist of the following:

Fund	Due From Other Funds	Due To Other Funds
General Fund	$ 342,274	$ 24,774
Marina Fund	-	317,500
	$ 342,274	$ 342,274

The interfund receivable and payable of $317,500 represents a loan from the General Fund to the Marina Fund to finance the purchase of improvements. The purchase and the advance were approved by the City Commission on August 8, 2022. The remainder of the amounts represent short-term loans for cash deficiencies.

Interfund transfers for the fiscal year ended September 30, 2025 consisted of the following:

Fund	Transfers In	Transfers Out
General Fund	$ -	$ 19,932,947
Sanford CRA Fund	-	2,278,671
Nonmajor Governmental Funds:		
ARPA Fund	-	2,845,047
CDBG Fund	50,997	-
Cemetery Fund	128,456	-
Debt Service Fund	2,417,646	-
Capital Project Fund	10,115,254	21,500
Public Art Commission	197,200	-
Local Option Sales Tax Fund	107,661	-
Total Nonmajor Governmental Funds	13,017,214	2,866,547
Water/Sewer Utility Fund	$ 1,957,159	-
Stormwater Utility Fund	887,888	-
Nonmajor Marina Fund	7,421,593	-
Nonmajor Golf Course Fund	1,794,311	-
	$ 25,078,165	$ 25,078,165

Note 10 - Interfund Accounts and Transfers (continued)

The interfund transfer of $107,661 from the CRA fund to the Local Option Sales Tax Fund was to pay for capital improvements turned over to the City in the redevelopment area. The transfer of $106,956 to the Cemetery fund from the General fund was to cover operating expenditures since this fund is now reliant on the General Fund. The $21,500 transfer to the Cemetery Fund from the Capital Project Fund was to pay for new signs. The $2,417,646 transfer from the General Fund to the Debt Service Fund is to pay the debt service costs related to the operating leases and the bonds for the Public Safety complex and Capital Improvements City-wide. The $50,997 transfer to the CDBG Fund from the General Fund is to pay the costs of the program that are not covered by the grantor. The $197,200 transfer to the Public Art Commission Fund is to cover the costs of the program with $87,500 transferred from the CRA Fund and $109,700 from the General Fund. The transfer of $8,031,744 to the Capital Project Fund from the General Fund $2,083,510 from the CRA Fund was to pay for the building of an amphitheater and paving. The transfers to the Water/Sewer Fund and the Stormwater Fund from the ARPA fund were to cover grant related expenditures. The transfers into the Marina and Golf Course funds from the general fund $1,794,311, and $7,421,593 were to cover operating costs and capital expenditures.

Note 11 - Pension Plans

City of Sanford Pension Plans, September 30, 2025

	FRS				
	FRS	HIS	Police	Fire	Totals
Pension liability	$ 26,215,624	$ 9,184,580	$ -	$ 618,340	$ 36,018,544
Deferred Outflows	10,853,653	1,893,084	1,447,405	2,117,254	16,311,396
Deferred Inflows	4,399,309	2,243,728	4,167,504	1,070,108	11,880,649
Pension Expense	(1,073,016)	34,383	1,705,469	1,584,733	2,251,569

A. Florida Retirement System

The City contributes to the Florida Retirement System (FRS); a multiple-employer, cost-sharing, defined-benefit pension plan administered by the State of Florida, for the City's authorized permanent, full-time and part-time employees, (police and fire joined 10/1/17 and the current employees could join or remain with their plans and all new hires must join). Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the costs of health insurance. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 12, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. State Statutes, authorizes the State to establish and amend all plan provisions. The State of Florida issues a publicly available report that includes financial statements and required supplementary information for FRS. The report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000.

(1) Plan Description - The FRS offers a choice between a defined-benefit plan and a defined-contribution plan ("Investment Plan"). The Investment Plan provides for vesting after one year of creditable service. Under this plan, the employer makes contributions to a participant's account, and the participant directs where the contributions are invested among the plan's investment funds. Upon termination, vested participants receive amounts accumulated in their investment accounts. The defined-benefit plan members are eligible for retirement after vesting, which occurs at six (6) years of creditable service for regular members enrolled prior to July 1, 2011 and eight (8) years of creditable service if enrolled on or after July 1, 2011. Normal retirement age is attained at the earlier of thirty (30) or (33) years of creditable service, regardless of age, or retirement at age sixty-two (62) or (65) with at least (6) or (8) years of creditable service if enrolled prior to July 1, 2011 or on or after July 1, 2011 respectively. Early retirement may be taken any time after vesting; however, there is a five percent (5%) benefit reduction for each year prior to normal retirement age. Members are also eligible for in-line-of-duty or regular disability benefits if permanently disabled and unable to work. Benefits are computed on the basis of age, average final compensation, and service credit.

The HIS Pension Plan provides insurance subsidy payments to persons who are retired under a state-administered retirement system, or a beneficiary who is a spouse or financial dependent entitled to receive benefits under a state-administered retirement system except those individuals who are pension recipients under Section 121.40, 237.08(18)(a) and 250.22, Florida Statutes, or recipients of health insurance coverage under Section 110.1232, Florida Statutes or any other special pension or relief act are not eligible for such pension payments. A person is deemed retired from a state-administered retirement system when he or she terminated employment with all employers participating in the Florida Retirement System and (1) for a member of the FRS investment plan, the

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

participant meets the age or service requirements to qualify for normal retirement per Section 121.021(29), Florida Statutes and meets the definition of retiree in Section 121.4501(2), Florida Statutes or (2) for a member of the FRS defined benefit pension plan or any employee who maintains creditable service under the pension plan and the investment plan, the member begins drawing retirement benefits from the pension plan. Any person retiring on or after July 1, 2001, as a member of the Florida Retirement System, including a member of the investment plan, must satisfy the vesting requirements for his or her membership class under the pension plan as administered under Chapter 121, Florida Statutes. Any person retiring due to disability must qualify for a regular or in-line-of-duty disability benefit per provisions under Chapter 112, Florida Statues.

The HIS Pension Plan provides monthly payment assistance to retirees of state-administered retirement systems in paying their health insurance costs and is administered by the Department of Management Services, Division of Retirement. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by $5. The payments are at least $30 but not more than $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare. Terms of the benefits provided by the plan may be amended only by the State Legislature with a change in the Statutes governing the Plan.

(2) Contributions - The FRS has nine (9) classes of membership. Only three (3) classes are applicable to the City's eligible employees. These three (3) classes, with descriptions and weighted average contribution rates in effect during the period ended September 30, 2025, are as follows (contribution rates are in agreement with the actuarially determined rates, each including an additional 1.66% health insurance subsidy contribution):

Regular Class - Members not qualifying for other classes (13.73% from 10/01/24 to 9/30/25). Twenty-three (23) employees were in DROP - Deferred Retirement Option Program (21.353% from 10/01/24 to 9/30/25).

Senior Management Class - Members eligible for this class include the City Manager and Department Heads. The rate is 34.20% from 10/1/24 to 9/30/25.

Special Risk – Members eligible for this class includes police officers, firefighters, the City's Crime Scene Technicians, and the Evidence Technician. The rate is 33.39% from 10/1/24 to 9/30/25.

The HIS Pension Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the contribution rate was 1.66% of payroll pursuant to Section 112.363, Florida Statutes. There are no employee contributions required for the HIS Pension Plan. HIS Pension Plan contributions are deposited in a separate trust fund from which HIS payments are authorized.

The contribution requirements of the City are established and may be amended by the State. The plan became contributory for employees as of July 1, 2011, with passage of SB2100 during the 2011 legislation with a contribution of 3%. The City's contributions to FRS and HIS plans for the years ended September 30, 2023, 2024 and 2025 were, $4,535,724, $6,035,211, and $6,939,774 respectively, and equal the required contributions for each year.

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

(3) Pension Liabilities and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions At September 30, 2025, the City reported a liability of $26,215,624 for its proportionate share of the FRS Pension Plan net pension liability and $9,184,580 for its proportionate share of the HIS Pension Plan net pension liability. The net pension liabilities were measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The City's proportionate share of the net pension liabilities were based on accrued retirement contributions for employers that were members of the FRS Pension Plan during the fiscal year ended June 30, 2025. At June 30, 2025, the City's proportionate share was .0845 percent and 0.0717 percent which was a change of .0001 and .0042 percent from its proportionate share of 0.0783 and 0.06741 percent measured as of June 30, 2025 for both the FRS and HIS plans respectively.

For the year ended September 30, 2025, the City recognized pension expense of $(1,073,016) for the FRS Pension Plan and $34,383 for the HIS Pension Plan. At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to these plans from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,800,105	$ -	$ 54,826	$ 14,569
Changes in assumptions	3,044,315	-	81,294	2,221,515
Net difference between projected and actual earnings on pension plan investments	-	714,593	-	7,644
Changes in proportion and differences between City contributions and proportionate share of contributions	-	22,346	1,599,178	-
Contributions subsequent to the measurement date	1,346,863	-	157,786	-
Total	$ 7,191,283	$ 736,939	$ 1,893,084	$ 2,243,728

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

The deferred outflows of resources related to FRS $1,346,863 and HIS $157,786 resulting from City contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2026. Other amounts reported for the Plans as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

FRS		HIS	
Fiscal Year Ending September 30,	Amount Recognized	Fiscal Year Ending September 30,	Amount Recognized
2026	$ 14,786,472	2026	$ (112,160)
2027	(2,627,161)	2027	(134,283)
2028	(3,931,645)	2028	(113,057)
2029	(3,120,185)	2029	(90,604)
2030	-	2030	(58,326)
Thereafter	-	Thereafter	-
Totals	$ 5,107,481	Totals	$ (508,430)

(4) Actuarial Assumptions - The total pension liability for the both the FRS and HIS Pension Plans was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below:

	FRS	HIS
Valuation date	7/01/2025	7/01/2025
Measurement date	6/30/2025	6/30/2025
Actuarial cost method	Individual Entry Age	Individual Entry Age
Discount rate	6.70%	5.20%
Municipal bond rate	N/A	5.20%
Long-term expected rate of return, net of investment expense	6.70%	N/A
Inflation rate	2.40%	2.40%
Salary increase, including inflation	3.50%	3.50%
Mortality	PUB-2010 base table projected generationally with Scale MP-2018	PUB-2010 base table projected generationally with Scale MP-2018

The actuarial assumptions that determined the total pension liability of the FRS and HIS Pension Plans as of June 30, 2025, were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

(5) Discount Rate - The discount rate used to measure the total pension liability for the FRS Pension Plan disclosed above is based on a projection of cash flows that assumed employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the FRS Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return of pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

The discount rate for calculation the total pension liability for the HIS Pension plan is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS pension Plan is essentially funded on a pay-as-you-go funding structure, a municipal bond rate of 5.20% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index).

(6) Long-Term Expected Rate of Return - To develop an analytical basis for the selection of the long-term expected rate of return assumption for the FRS Pension Plan, the 2025 FRS Actuarial Assumptions conference reviews long-term assumptions developed by multiple contracted capital market assumptions teams. The table below shows resulting assumptions for each of the asset classes in which the plan was invested based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The expected real rate of return is presented in arithmetic means.

The HIS pension plan is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the pension plan, or assumed asset allocation. Investments are reported at fair value.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Real Rate of Return
Cash	1.00%	3.20%
Fixed income	29.00%	5.50%
Global equity	45.00%	8.50%
Real Estate (Property)	12.00%	8.40%
Private Equity	11.00%	12.40%
Strategic investments	2.00%	6.50%
Total	100.00%	

(7) Sensitivity of the City's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liability of the FRS and HIS Pension Plans calculated using the discount rate of 6.70 percent and 5.20 percent respectively. Also presented is what the City's proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Note 11 - Pension Plans (continued)

A. Florida Retirement System (continued)

FRS Plan	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
City's proportionate share of the net pension liability	$ 51,447,758	$ 26,215,624	$ 5,061,368

HIS Plan	1% Decrease 4.20%	Current Discount Rate 5.20%	1% Increase 6.20%
City's proportionate share of the net pension liability	$ 10,357,094	$ 9,184,580	$ 8,201,216

(8) Allocation of Pension Related Amounts to Proprietary Funds – Pension related amounts have been allocated to the City's Water/Sewer, Stormwater, and Wastewater Utility Enterprise Funds as well as the City's blended component unit (Sanford CRA). This allocation was made based on the contributions to the FRS by each fund.

B. Police Officers' and Firefighters' Retirement Systems

The City participates in the closed Police Officers' and Firefighters' Retirement Systems. Each plan is a single-employer, defined-benefit pension plan for the sole benefit of the Police Officers' and Firefighters' of the City. The Police Officers' and Firefighters' boards both consist of five trustees, of which two are legal residents of the City of Sanford and appointed by the city commission and two of whom shall be members of the system, who shall be elected by a majority of the members of the two systems. The fifth trustee shall be chosen by a majority of the previous four trustees. The board of trustees may make benefit and contribution change recommendations to the city commission for consideration.

(1) Plan Description - A member's normal retirement date shall be the first day of the month coincident with, or the next following attainment of age fifty-five (55) for police officers and firefighters, and the completion of ten (10) years of credited service or the completion of twenty-five (25) years of credited service.

A member may retire on their normal retirement date or on the first day of any month thereafter, and each member shall become 100% vested in their accrued benefit on the member's normal retirement date.

Normal retirement under the system is retirement from employment with the City on or after the normal retirement date. The monthly retirement benefit shall equal (3.50% for service up to September 30, 2017 and 3% for service after September 30, 2017) and 3.08% of average final compensation, defined as the highest five (5) years of salary paid during the last ten (10) years of covered employment, for each year of credited service for police officers and firefighters, respectively.

Members are eligible to participate in the deferred retirement option program (DROP) on the earlier of age 55 with 10 years of credited service or 25 years of credited service for the police officers and firefighter plans respectively. Participation in this program for both plans may not exceed 60 months and the rate of return is the actual net rate of investment return (total return net of brokerage commissions, management fees and transaction costs)

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

credited each fiscal quarter. The DROP balance as of September 30, 2025 is $607,227 and $786,537 in the police officers and firefighter plans respectively.

In addition, all of the City's pension plans provide death and disability benefits. These benefits and other requirements are established and amended by State Statute and City ordinance.

(2) Contributions - The City's funding policy provides for actuarially determined periodic contributions to the plans. The required contributions include normal costs (after deducting expected employee contributions, if applicable) and the amount of the additional unfunded obligations, amortized over thirty (30) years, created due to increases in plan benefits. Employer contribution rates are determined using the entry age normal actuarial cost method. The City contributed $917,200 and $829,426 to the Police Officers' and Firefighters' Retirement Systems, respectively, during the year ended September 30, 2025. The police officers are required to contribute 6.1% of their gross compensation and the firefighters are required to contribute seven (7%) of their base pay compensation (an additional five percent (5%) is paid by the City) for the fire and police employees, and if the employee terminates prior to vesting, this amount is returned to the employee for firefighters hired before July 1, 1999 and all police officer (regardless of date of hire). Both of the plans also receive contributions from the state for insurance premium refunds 1.85% for firefighters and .85% for police officers. The state contributions are not based on covered payroll. The City is required to contribute the remaining amount necessary to pay the annual normal (current year's) cost plus an amount sufficient to fund any unfunded accrued liability over fifteen (15) years for police officers and fifteen (15) years for firefighters. Funding policy was established and may be amended by City Ordinances.

(3) Plan Membership - At September 30, 2025, membership of each plan consisted of the following:

	Police Officers	Firefighters
Inactive plan members or beneficiaries currently receiving benefits	95	55
Inactive plan members entitled to but not yet receiving benefits	21	6
Active plan members	42	43
Total	158	104

(4) Pension Liabilities, Pension Expense, and Deferred Outflows or Resources and Deferred Inflows of Resources Related to Pensions.

Note 11 – Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

The components of the net pension liability of the City at September 30, 2025 were as follows:

Police Officers' Plan:

Total pension liability	$ 64,894,522
Plan fiduciary net position	(65,738,718)
City's net pension liability/(asset)	$ (844,196)
Plan fiduciary net position as a percentage of the total pension liability/(asset)	101.30%

Firefighters' Plan:

Total pension liability	$ 52,169,457
Plan fiduciary net position	(51,551,117)
City's net pension liability/(asset)	$ 618,340
Plan fiduciary net position as a percentage of the total pension liability/(asset)	98.81%

The changes in the net pension liability of the police and firefighters pension plans for fiscal year 2025 are as follows:

Police Officers' Retirement Trust Fund
Changes in Net Pension Liability

		Increase (Decrease)	
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (a-b)
Balances at 9/30/2024	$ 61,128,571	$ 61,503,900	$ (375,329)
Changes for the year:			
Service cost	804,255	-	804,255
Interest	3,959,123	-	3,959,123
Difference between Expected and Actual Experience	2,188,654	-	2,188,654
Changes of assumptions	706,156	-	706,156
Contribution Buy Back	-	-	-
Contributions - Employer	-	917,200	(917,200)
Contributions-State	-	836,956	(836,956)
Contributions-Employee	-	260,639	(260,639)
Net investment income	-	6,193,553	(6,193,553)
Benefit payments, including refunds of employee contributions	(3,892,237)	(3,892,237)	-
Administrative Expense	-	(81,293)	81,293
Net Changes	3,765,951	4,234,818	(468,867)
Balance at September 30, 2025	$ 64,894,522	$ 65,738,718	$ (844,196)

Note 11 – Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

Firefighters' Pension Trust Fund
Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(asset) (a-b)
Balance at 9/30/2024	$ 48,618,752	$ 48,158,450	$ 460,302
Changes for the year:			
Service cost	726,699	-	726,699
Interest	3,082,789	-	3,082,789
Change in Excess State Money	-	-	-
Differences between Expected and Actual Experience	1,623,423	-	1,623,423
Changes of assumptions	471,540	-	471,540
Changes of benefit terms	-	-	-
Contributions - Employer	-	829,426	(829,426)
Contributions-State	-	597,004	(597,004)
Contributions-Employee	-	263,911	(263,911)
Net investment income	-	4,139,328	(4,139,328)
Benefit payments, including refunds of employee contributions	(2,353,746)	(2,353,746)	-
Administrative Expense	-	(83,256)	83,256
Net Changes	3,550,705	3,392,667	158,038
Balance at September 30, 2025	$ 52,169,457	$ 51,551,117	$ 618,340

For the year ended September 30, 2025, the City recognized pension expense of $1,705,469 and $1,584,733 for the police and firefighters pension plans. On September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to these plans from the following sources:

	Police Officers' Plan		Firefighters' Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,094,327	$ -	$ 1,802,894	$ 45,852
Changes in assumptions	353,078	-	314,360	-
Net difference between projected and actual earnings on pension plan investments	-	4,167,504	-	1,024,256
Total	$ 1,447,405	$ 4,167,504	$ 2,117,254	$ 1,070,108

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

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

Police Officers' Plan		Firefighters' Plan	
Fiscal Year Ending September 30,	Amount Recognized	Fiscal Year Ending September 30,	Amount Recognized
2026	$ 1,410,140	2026	$ 2,150,291
2027	(1,957,550)	2027	78,963
2028	(1,732,903)	2028	(965,892)
2029	(439,787)	2029	(216,216)
2030	-	2030	-
Thereafter	-	Thereafter	-
Totals	$ (2,720,100)	Totals	$ 1,047,146

(5) Costs of administering the police officers' and firefighters' pension plans are financed through investment earnings.

(6) The following is a summary of actuarial methods and significant actuarial assumptions used in the latest actuarial valuations:

	Police Officers	Firefighters
Valuation date	10/01/2024	10/01/2024
Measurement date	9/30/2025	9/30/2025
Actuarial cost method	Entry Age Normal	Entry Age Normal
Discount rate	6.60%	6.40%
Amortization method	New UAAL	New UAAL
Amortization period	15 years	15 years
Asset valuation method	4-year smoothed fair	4-year smoothed fair
Actuarial Assumptions:		
Investment rate of return	6.60%	6.40%
Projected salary increase (including both cost of living and merit)	5.75%	Service based
Inflation rate	2.50%	2.50%
Postretirement benefit increases	0.00%	0.00%

Mortality assumptions for both the police officers' and firefighters' pension plans used the PUBS.S-2010 (Below Median for Active Lives set forward one year, PUBS.S-2010 for Healthy Retirees, set forward one year, PUBS.H-2010 for Female Beneficiary Lives and set back one year for Male Beneficiary Lives, and PubG.H-2010 for Disabled Retirees set forward one year for Female Disabled Lives All rates are projected generationally with Mortality Improvement Scale MP-2018.

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

(7) The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in both the police officers' and firefighters' pension plan's target asset allocation as of September 30, 2025 are summarized in the following table:

Fire Pension		Police Pension	
Asset Class	Long Term Expected Real Rate of Return	Asset Class	Long Term Expected Real Rate of Return
Large cap equity	9.91%	Large cap equity	9.91%
Mid cap equity	9.08%	Mid cap equity	9.08%
Small cap equity	8.69%	Small cap equity	8.69%
Foreign equity	5.32%	Foreign equity	5.32%
Real estate	3.68%	Real estate	3.68%
Fixed income	0.85%	Fixed income	0.85%

(8) The discount rate used to measure the total pension liability for the police officers' plan was 6.60% and 6.40% for the firefighters' plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The following presents the net pension liability of the City:

Police Officers' Plan:	1% Decrease 5.60%	Current Discount Rate 6.60%	1% Increase 7.60%
Sponsor's Net Pension Liability/(asset)	$ 6,593,323	$ (844,196)	$ (7,077,654)

Firefighters' Plan:	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Sponsor's Net Pension Liability/(asset)	$ 7,076,892	$ 618,340	$ (4,723,442)

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

Pension Trust Fund Financial Statements

The plans do not issue separate financial statements. Financial statements for the Police Officers' Retirement System and Firefighters' Retirement System at September 30, 2025 and for the year then ended are as follows:

Combining Statement of Net Pension
Fiduciary Funds
September 30, 2025

	Police Officers' Retirement System	Firefighters' Retirement System	Total
Assets			
Cash and cash equivalents with trustee	$ 6,383,485	$ 1,164,345	$ 7,547,830
Investments, at fair value:			
US government obligations	-	5,401,306	5,401,306
Mortgage & asset backed securities	-	4,863,073	4,863,073
Corporate debt	-	702,541	702,541
Mutual funds	40,515,242	26,885,824	67,401,066
Equity securities	9,956,559	7,543,760	17,500,319
Real estate	8,877,281	5,365,312	14,242,593
Accrued investment income	3,618	53,880	57,498
Prepaid items	5,335	9,603	14,938
Total assets	65,741,520	51,989,644	117,731,164
Liabilities			
Accounts payable	32,736	32,949	65,685
Net position			
Net position restricted for pensions	$ 65,708,784	$ 51,956,695	$ 117,665,479

Note 11 - Pension Plans (continued)

B. Police Officers' and Firefighters' Retirement Systems (continued)

Pension Trust Fund Financial Statements (continued)

Combining Statement of Changes in Net Position
Fiduciary Funds
For the Year Ended September 30, 2025

	Police Officers' Retirement System	Firefighters' Retirement System	Total
Additions			
Contributions:			
Employer	$ 1,754,156	$ 1,426,431	$ 3,180,587
Plan members	260,639	263,911	524,550
Total contributions	2,014,795	1,690,342	3,705,137
Investments earnings (losses):			
Interest & dividends	1,128,915	1,046,039	2,174,954
Net decrease in fair value of investments	5,323,531	3,266,291	8,589,822
Total investment earnings	6,452,446	4,312,330	10,764,776
Investment expenses	(256,011)	(179,445)	(435,456)
Net investment earnings	6,196,435	4,132,885	10,329,320
Total additions	8,211,230	5,823,227	14,034,457
Deductions			
Benefit payments	3,230,962	1,873,360	5,104,322
Refund of contributions	661,275	59,063	720,338
Administrative expenses	82,494	83,210	165,704
Total deductions	3,974,731	2,015,633	5,990,364
Change in net position	4,236,499	3,807,594	8,044,093
Net position restricted for pensions			
Beginning of year	61,472,285	48,149,101	109,621,386
End of year	$ 65,708,784	$ 51,956,695	$ 117,665,479

Note 12 - Post Employment Benefits Other than Pensions

The City's defined benefit OPEB plan provides OPEB for all general and public safety employees of the City. The plan is a single-employer defined benefit OPEB plan administered by the City. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

(1) Plan Description - The City's resolutions and ordinances allow employees who have retired to continue their life and health insurance benefits, and a portion of the cost as determined by City management, is paid by the City. The City pays the health insurance benefits for employees hired after October 1, 1991 but before October 1, 2002, retiring, with twenty-five (25) or more years of service up to age sixty-five (65) at the same level of funding as current employees. The City pays the health benefits of employees who retired prior to October 1, 1991, for the remainder of their lives. The City pays the life insurance benefits for retired employees who retired after October 1, 1991, with the level of the benefit being delineated as $3,000 term life.

The City has chosen pay-as-you-go funding, but is recording the liability in the government-wide financial statements. The self-insurance plan pays premiums to an insurance company that maintains no assets or liabilities in the name of the City or on the City's behalf. This plan does not issue stand-alone financial statements.

(2) Employees covered by benefit terms - At September 30, 2025, the measurement date, the following employees were covered by the benefit terms:

Inactive employees*	201
Active employees**	559
Total	760

*Inactive counts include retirees with life insurance only.
**Active counts include those with health care coverage and those without.

(3) Total OPEB Liability – The City's total OPEB liability of $16,907,150 was measured as of September 30, 2025, and was determined by an interim actuarial valuation as of that date.

(4) Actuarial assumptions and other inputs – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The total OPEB liability in the September 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:

The entry age normal % of salary cost method was used to determine all liabilities, with the liability for each active employee assumed to accrue over their working lifetime based on elapsed time from their date of hire until retirement.

Inflation Rate:

3.25% per year

Investment Return (Discount Rate):

4.87% as of September 30, 2023 and 4.06% as of September 30, 2024. The discount rate was based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Note 12 - Post Employment Benefits Other than Pensions (continued)

(4) Actuarial assumption and other inputs (continued)

Health Care Cost Trend Rates:

The cost of covered medical services has been assumed to increase in accordance with the following rates, compounded annually:

Year	/	Increase	Year	/	Increase	Year	/	Increase
2025		8.00%	2028		6.50%	2031		5.00%
2026		7.50%	2029		6.00%	2032		4.50%
2027		7.00%	2030		5.50%	and after		

Retiree Contributions:

Retirees hired after October 1, 2002 and electing post-employment healthcare coverage have been assumed to make monthly contributions equal to the premium charged to active employees plus the amount paid by the City for active employees. Retirees hired prior to October 1, 2002 and retiring after September 30, 1991 with at least 25 years of City service are assumed to pay the same amount that current employees pay. Retirees retiring before October 1, 1991 with at least 25 years of service do not contribute to the cost of their health insurance. Contribution rates are set by the City during the yearly budget process.

Payroll Growth:

3.25% per annum for general employees and 5% for public safety (used for amortization purposes only)

Mortality Rates:

Public Safety: SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021

Non Public Safety: SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021

Surving Spouses: SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

Disabled Retirees: SOA Pub-2010 Disabled Headcount Weighted Mortality Table fully generational using Scale MP-2021

(5) **Summary of Benefits** -

Other Post-Employment Benefits (OPEBs)

The City of Sanford provides optional post-employment healthcare and life insurance coverage to eligible individuals.

Eligible Individuals:

Employees of the City who are eligible for retirement or disability retirement under the Florida Retirement System (FRS), the City of Sanford Police Officer's Retirement System (SPRS), or the City of Sanford Firefighter's Retirement System (SFRS) may elect to participate in the City-sponsored health insurance plan (medical and prescription drug). All eligible employees receive $3,000 of life insurance coverage.

Note 12 - Post Employment Benefits Other than Pensions (continued)

(6) Changes in the Total OPEB Liability

	Total OPEB Liability
Balance at 9/30/2024	$ 18,826,918
Changes for the year:	
Service cost	371,628
Interest	731,057
Change in assumptions	79,942
Differences between expected and actual experience	(694,009)
Benefit payments	(2,408,385)
Net changes	(1,919,767)
Balance at 9/30/2025	$ 16,907,151

There have been no substantive plan provision changes.

(7) Sensitivity of the total OPEB liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate of 4.87%.

OPEB discount rate	1% Decrease 3.90%	Current Discount Rate 4.90%	1% Increase 5.90%
Total OPEB liability	$ 18,369,494	$ 16,907,151	$ 15,624,989

Note 12 - Post Employment Benefits Other than Pensions (continued)

(8) Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates - The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the current healthcare cost trend rates.

OPEB health care discount rate	1% Decrease (7.0% decreasing to 3.5%)	Healthcare Cost Trend Rates (8.0% decreasing to 4.5%)	1% Increase (9.0% decreasing to 5.5%)
Total OPEB liability	$ 15,459,909	$ 16,907,151	$ 18,577,549

(9) OPEB Expense and Deferred Outflows of Resources and Deferred Inflows or Resources Related to OPEB– For the year ended September 30, 2025, the City recognized an OPEB expense of $765,213. At September 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 3,370,286	$ 912,484
Changes in assumptions	1,228,637	985,213
Total	$ 4,598,923	$ 1,897,697

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

Fiscal Year Ending September 30,	Amount Recognized
2026	$ 762,719
2027	1,085,804
2028	975,514
2029	(122,811)
2030	-
Thereafter	-
Total	$ 2,701,226

Note 13 - Deferred Compensation Plan

The City offers its employees three deferred compensation plans, created in accordance with Internal Revenue Code Section 457. The City's main plan is offered to all employees. The second plan was opened as an additional plan that is only offered to Firefighters. The plans permit employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen non-reimbursed emergency. The other deferred compensation plan is a 401(a) and is offered to all employees with no employer contributions.

It is the opinion of management that the City has no liability for losses under the plans, but does have the duty of due care that would be required of an ordinary prudent investor in overall program oversight. Since the City has no control over these assets, other than periodically testing the market to retain or replace the 457 third-party administrator, these assets are not reflected in the City's financial statements.

Note 14 - Risk Management

The City accounts for its risk management activities in an internal service fund that includes self-insurance programs for workers' compensation, general liability, property, auto, and employee healthcare. The City has made the decision to retain up to $200,000 per incident relating to workers' compensation. Coverage in excess of $200,000 per incident for workers' compensation has been purchased from an outside carrier. All other liability and property damage insurance is obtained through insurance carriers with a $25,000 deductible for general liability claims per occurrence and an aggregate stop loss that varies by line-of-coverage for all types of claims for fiscal year 2025. Employee healthcare exposure is subject to aggregate maximum limitations. There have been no significant reductions in insurance coverage from the prior year. No settlements have exceeded the City's insurance coverage for each of the past five (5) fiscal years.

The City utilizes the expertise of the plan administrator in determining the liability for claims incurred and other related costs on a claim-by-claim basis. The determination includes consideration of non-incremental claims adjustment expenditures. The changes in the City's claims liability during the years ended September 30, 2024 and 2025 were as follows:

	Balance at Fiscal Year Beginning	Current Year Claims and Changes in Estimates	Current Year Claim Payments	Balance at Fiscal Year End
2023-2024	$ 3,278,045	$ 923,615	$ (59,671)	$ 4,141,989
2024-2025	4,141,989	1,511,740	(343,741)	5,309,988

Note 15 - Commitments and Contingencies

A. Various lawsuits and claims arising in the ordinary course of the City's operations are pending against the City. While the ultimate effect of such litigation cannot be ascertained at this time, management believes, based on the advice of legal counsel, that there will be no material effect on the City's financial position and/or that the City has sufficient insurance coverage to cover any claims.

B. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. If any expenditures are disallowed as a result of these audits, the claims for reimbursement to the grantor agency would become a liability of the City. In the opinion of management, any such adjustments would not be significant.

C. The City has various construction contracts outstanding in the Governmental Funds and Enterprise Funds, commitments of which amount to $28,132,614 at September 30, 2025.

Note 16 – Net Investment in Capital Assets Calculation

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities
Capital assets:		
Non depreciable	$ 21,272,717	$ 104,217,944
Depreciable, net	109,794,710	167,943,984
Right of use asset, net	1,882,469	37,320
	132,949,896	272,199,248
Debt related to capital assets:		
Accounts/Retainage payable	2,414,994	9,719,818
Loans	18,922,860	51,514,327
Financed purchase agreements	1,257,269	-
Leases	579,150	37,831
SBITAs	1,408,015	-
	24,582,288	61,271,976
Difference	108,367,608	210,927,272
Unspent debt proceeds	14,710,776	-
Net Investment in capital assets	$ 123,078,384	$ 210,927,272

Note 17 – Tax Abatements

The City of Sanford and the Downtown CRA enters into property tax abatement agreements with local businesses under the Article VII, Section (3)(c), *Constitution of the State of Florida,* as implemented by Section 196.1955, *Florida Statutes,* local governments may provide for ad valorem tax exemptions for a variety of economic development purposes. Localities may grant abatements for up to ten years for up to 100% of the assessed value of all improvements to real property made by or for the use of a new business and of all tangible personal property of such new business, or up to 100% of the assessed value of all added improvements to real property made to facilitate the expansion of an existing business and of the net increase in all tangible personal property acquired to facilitate such expansion of an existing business, provided that the improvements to real property are made or the tangible personal property is added or increased on or after the day the ordinance approving the tax abatement is enacted. The City adopted an ordinance allowing for up to $2,000,000 in abatements over ten years and applicants would be entitled initially up to 100%, but such abatement awarded shall not be more than an average over the awarded time frame of 50%. If it is determined that a business was not in fact entitled to a tax abatement in any year for which the business received an exemption, the City, Property Appraiser or tax collector or any other governmental agency shall be entitled to recover all taxes not paid on tangible personal property as a result of the exemption, plus interest at the maximum rate allowed by law, plus all costs of collection, including, without limitation, reasonable attorney's fees. This program was repealed during 2024.

For the fiscal year ended September 30, 2025, there was $15,709 for abated property taxes under this program, but the City of Sanford did have four outstanding agreements as follows:

On May 19, 2021, the City entered into an agreement with Transit Properties LLC to develop a mixed-use development consisting of 294 multi-family units and a commercial outparcel of 1.96 acres. This development will serve the City by providing a transit oriented development (TOD) adjacent to our SunRail stop. TOD development provides for more efficient use of the SunRail system while simultaneously allowing residents the opportunity to easily access mass transit. The agreement allows for ad valorem tax abatements at 70% of an amount equal to the sums paid in ad valorem taxes that have been duly paid to the City the first five years in which the incentivized development is placed on the tax rolls on Seminole County; 50% of an amount equal to the sums paid in ad

Note 17 – Tax Abatements (continued)

valorem taxes that have been duly paid to the City during the second five years in which the incentivized development is placed on the tax rolls of Seminole County.

On June 8, 2020 the City entered into an agreement with San Leon LLC to develop a mixed use development in the City's downtown district. The agreement allows for ad valorem tax abatements at 100% of an amount equal to the sums paid in ad valorem taxes that have been duly paid to the City the first five years in which the incentivized development is placed on the tax rolls on Seminole County. For the fiscal year ended September 30, 2025, the City paid $15,709 in abated property taxes to San Leon LLC.

On July 11, 2016, the City entered into an agreement with Allegiant Airlines that is effective for ad valorem tax years 2017 through 2026 and allows for a 100% tax abatement. The City also provided a Qualified Target Industry (QTI) award to Allegiant in the amount not to exceed $5,500 that would be paid once the qualifying factors of job creation has been met.

On April 8, 2024, the City entered into an agreement with Trafford Holdings LLC that is effective for ad valorem tax years 2025 through 2034 and allows for a 100% tax abatement.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF SANFORD, FLORIDA
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Property taxes	$ 40,585,026	$ 40,585,026	$ 41,100,423	$ 515,397
Utility taxes	10,983,433	10,983,433	10,923,284	(60,149)
Franchise fees	6,496,010	6,496,010	6,977,625	481,615
Business taxes	771,853	771,853	764,764	(7,089)
Permits and fees	199,516	199,516	1,014,649	815,133
Intergovernmental	9,287,935	9,148,477	9,249,294	100,817
Charges for services	3,200,357	3,672,938	5,704,680	2,031,742
Investment earnings	3,072,665	3,072,665	3,017,754	(54,911)
Fines and forfeitures	185,005	185,005	298,966	113,961
Miscellaneous	218,470	218,470	229,834	11,364
Total revenues	75,000,270	75,333,393	79,281,273	3,947,880
Expenditures				
Current:				
General government	11,031,754	10,430,413	9,956,763	473,650
Public safety	39,757,033	41,860,506	39,086,375	2,774,131
Physical environment	445,337	442,337	396,623	45,714
Transportation	2,320,211	2,728,902	2,749,029	(20,127)
Economic environment	748,682	548,682	497,995	50,687
Human services	156,756	149,339	137,542	11,797
Culture and recreation	8,143,966	9,261,183	9,007,997	253,186
Debt service:				
Principal	-	-	802,930	(802,930)
Interest	-	-	51,955	(51,955)
Capital outlay:				
Total expenditures	62,603,739	65,421,362	62,687,209	2,734,153
Excess of revenues over expenditures	12,396,531	9,912,031	16,594,064	6,682,033
Other financing sources (uses)				
SBITAs	-	-	144,860	144,860
Leases	-	-	385,442	385,442
Transfers out	(11,524,609)	(19,939,390)	(19,932,947)	6,443
Proceeds from sale of assets	-	-	1,756	1,756
Total other financing uses	(11,524,609)	(19,939,390)	(19,400,889)	538,501
Net change in fund balances	871,922	(10,027,359)	(2,806,825)	7,220,534
Fund balances				
Beginning of year	-	-	46,533,566	46,533,566
Prior carryforward	-	10,505,559	-	(10,505,559)
Future carryforward	(871,922)	(478,200)		478,200
End of year	$ -	$ -	$ 43,726,741	$ 43,726,741

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
Sanford CRA Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Property taxes	$ 2,454,338	$ 2,454,338	$ 2,390,826	$ (63,512)
Investment earnings	139,076	139,076	333,043	193,967
Miscellaneous	-	-	29,836	29,836
Total revenues	2,593,414	2,593,414	2,753,705	160,291
Expenditures				
Current:				
Economic environment	2,593,414	2,213,730	1,135,186	1,078,544
Capital outlay:				
Economic environment	-	4,885,859	947,959	3,937,900
Total expenditures	2,593,414	7,099,589	2,083,145	5,016,444
Excess (deficiency) of revenues over (under) expenditures	-	(4,506,175)	670,560	5,176,735
Other financing sources (uses)				
Transfers out	-	(2,278,671)	(2,278,671)	-
Total other financing sources	-	(2,278,671)	(2,278,671)	-
Net change in fund balances	-	(6,784,846)	(1,608,111)	5,176,735
Fund balances				
Beginning of year	-	-	6,697,346	6,697,346
Prior carryforward	-	6,784,846	-	(6,784,846)
End of year	$ -	$ -	$ 5,089,235	$ 5,089,235

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

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CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Changes in Net Pension Liability and Related Ratios

Police Officers' Retirement Trust Fund

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	09/30/2019	9/30/2018	9/30/2017	9/30/2016
Total Pension Liability										
Service cost	$ 804,255	$ 674,822	$ 731,711	$ 765,514	$ 755,714	$ 773,251	$ 794,900	$ 780,283	$ 1,103,531	$ 1,146,830
Interest	3,959,123	3,762,267	3,666,722	3,549,225	3,490,692	3,396,162	3,248,998	3,261,533	3,239,054	3,177,614
Change in excess state money	-	-	-	-	-	-	-	-	(1,623,181)	187,342
Change in benefit terms	-	-	-	-	-	-	-	-	(607,513)	
Differences between Expected and Actual Experience	2,188,654	1,175,091	366,590	715,562	530,028	439,728	887,614	51,766	(608,510)	(1,113,615)
Change of assumptions	706,156	821,017	-	-	2,298,855	(272,717)	-	3,225,876	-	1,038,360
Contribution Buy Back	-	-	-	-	-	67,200	-	-	-	-
Benefit payments, including refunds of employee contributions	(3,892,237)	(3,267,704)	(3,253,252)	(3,179,244)	(3,172,696)	(2,898,626)	(2,716,410)	(3,291,827)	(2,949,734)	(2,661,451)
Net change in total pension liability	3,765,951	3,165,493	1,511,771	1,851,057	3,902,593	1,504,998	2,215,102	4,027,631	(1,446,353)	1,775,080
Total pension liability- beginning	61,128,571	57,963,078	56,451,307	54,600,250	50,697,657	49,192,659	46,977,557	42,949,926	44,396,279	42,621,199
Total pension liability - ending (a)	$ 64,894,522	$ 61,128,571	$ 57,963,078	$ 56,451,307	$ 54,600,250	$ 50,697,657	$ 49,192,659	$ 46,977,557	$ 42,949,926	$ 44,396,279
Plan Fiduciary Net Position										
Contributions - employer	917,200	845,335	643,780	358,598	895,864	938,624	1,189,748	1,268,270	1,860,016	1,817,484
Contributions-state	836,956	786,831	672,756	565,122	516,201	514,980	450,032	431,259	38,389	363,691
Contributions-employee	260,639	232,233	223,512	226,061	235,575	248,010	246,351	266,694	326,564	312,694
Net investment income	3,994,616	3,453,729	3,271,679	3,784,110	3,409,017	2,478,526	75,018	3,395,500	5,054,852	3,885,477
Pension Plan investments	2,198,937	6,465,578	1,123,236	(9,601,426)	7,071,685	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(3,892,237)	(3,267,704)	(3,253,252)	(3,179,244)	(3,172,696)	(2,831,426)	(2,716,410)	(3,291,827)	(2,949,734)	(2,661,451)
Administrative expense	(81,293)	(85,949)	(70,715)	(80,199)	(57,184)	(55,656)	(61,337)	(86,161)	(76,649)	(70,378)
Net change in plan fiduciary net position	4,234,818	8,430,053	2,610,996	(7,926,978)	8,898,462	1,293,058	(816,598)	1,983,735	4,253,438	3,647,517
Plan fiduciary net position - beginning	61,503,900	53,073,847	50,462,851	58,389,829	49,491,367	48,198,309	49,014,907	47,031,172	42,432,734	38,785,217
Plan fiduciary net position - ending (b)	$ 65,738,718	$ 61,503,900	$ 53,073,847	$ 50,462,851	$ 58,389,829	$ 49,491,367	$ 48,198,309	$ 49,014,907	$ 46,686,172	$ 42,432,734
Net pension liability/(asset) - ending (a) - (b)	$ (844,196)	$ (375,329)	$ 4,889,231	$ 5,988,456	$ (3,789,579)	$ 1,206,290	$ 994,350	$ (2,037,350)	$ (3,736,246)	$ 1,963,545
Plan fiduciary net position as a percentage of the total pension liability	101.30%	100.61%	91.56%	89.39%	106.94%	97.62%	97.98%	104.34%	108.70%	95.58%
Covered payroll	$ 3,813,700	$ 3,345,929	$ 3,095,105	$ 3,252,658	$ 3,439,508	$ 3,610,410	$ 3,646,676	$ 3,881,447	$ 5,622,360	$ 5,598,252
Net pension liability as a percentage of covered payroll	-22.14%	-11.22%	157.97%	184.11%	-110.18%	33.41%	27.27%	-52.49%	-66.45%	35.07%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Changes in Net Pension Liability and Related Ratios

	Firefighters' Pension Trust Fund									
	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Total Pension Liability										
Service cost	$ 726,699	$ 802,721	$ 747,839	$ 860,372	$ 778,185	$ 711,672	$ 706,209	$ 694,207	$ 719,369	$ 711,620
Interest	3,082,789	2,890,093	2,788,023	2,733,047	2,698,769	2,677,479	2,605,737	2,528,587	2,539,282	2,421,237
Change in excess state money	-	-	-	-	-	(134,215)	134,215	-	(1,142,947)	99,482
Change in benefit terms	-	-	-	131,236	-	-	(14,409)	-	-	-
Differences between Expected and Actual Experience	1,623,423	1,441,224	(183,408)	5,513	(767,867)	(626,033)	(48,942)	326,650	(517,380)	(388,476)
Change of assumptions	471,540	-	-	526,532	1,814,552	1,878,862	949,461	-	578,666	752,874
Benefit payments, including refunds of employee contributions	(2,353,746)	(1,740,529)	(1,884,468)	(1,835,279)	(1,926,933)	(1,781,785)	(2,499,477)	(2,603,631)	(2,214,104)	(1,854,776)
Net change in total pension liability	3,550,705	3,393,509	1,467,986	2,421,421	2,596,706	2,725,980	1,832,794	945,813	(37,114)	1,741,961
Total pension liability- beginning	48,618,752	45,225,243	43,757,257	41,335,836	38,739,130	36,013,150	34,180,356	33,234,543	33,271,657	31,524,696
Total pension liability - ending (a)	$ 52,169,457	$ 48,618,752	$ 45,225,243	$ 43,757,257	$ 41,335,836	$ 38,739,130	$ 36,013,150	$ 34,180,356	$ 33,234,543	$ 33,266,657
Plan Fiduciary Net Position										
Contributions - employer	829,426	873,938	856,037	804,762	885,246	937,823	1,169,697	1,198,581	1,218,852	1,137,284
Contributions-state	597,004	572,147	514,193	392,048	379,222	343,087	302,901	275,810	278,787	268,168
Contributions-employee	263,911	271,642	264,542	242,317	247,885	258,240	257,497	263,961	267,482	253,690
Net investment income	3,058,248	2,674,282	2,521,973	3,119,785	10,032,301	3,607,855	709,334	3,389,529	3,740,487	2,399,441
Pension Plan investments	1,081,080	3,748,378	68,862	(10,585,902)	-	-	-	-	-	-
Benefit payments, including refunds of employee contributions	(2,353,746)	(1,740,529)	(1,884,468)	(1,835,279)	(1,926,933)	(1,781,785)	(2,499,477)	(2,603,631)	(2,214,104)	(1,854,776)
Administrative expense	(83,256)	(76,946)	(72,546)	(76,676)	(62,367)	(51,378)	(60,501)	(63,906)	(67,365)	(61,121)
Net change in plan fiduciary net position	3,392,667	6,322,912	2,268,593	(7,938,945)	9,555,354	3,313,842	(120,549)	2,460,344	3,224,139	2,142,686
Plan fiduciary net position - beginning	48,158,450	41,835,538	39,566,945	47,505,890	37,950,536	34,636,694	34,757,243	32,296,899	29,072,760	26,930,074
Plan fiduciary net position - ending (b)	$ 51,551,117	$ 48,158,450	$ 41,835,538	$ 39,566,945	$ 47,505,890	$ 37,950,536	$ 34,636,694	$ 34,757,243	$ 32,296,899	$ 29,072,760
Net pension liability/(asset) - ending (a) - (b)	$ 618,340	$ 460,302	$ 3,389,705	$ 4,190,312	$ (6,170,054)	$ 788,594	$ 1,376,456	$ (576,887)	$ 937,644	$ 4,193,897
Plan fiduciary net position as a percentage of the total pension liability	98.81%	99.05%	92.50%	90.42%	114.93%	97.96%	96.18%	101.69%	97.18%	87.39%
Covered payroll	$ 3,590,976	$ 3,880,595	$ 3,779,161	$ 3,461,671	$ 3,541,208	$ 3,691,188	$ 3,676,484	$ 3,770,876	$ 3,861,980	$ 3,583,344
Net pension liability as a percentage of covered payroll	17.22%	11.86%	89.69%	121.05%	-174.24%	21.36%	37.44%	-15.30%	24.28%	117.04%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Contributions

Police Officers' Retirement Trust Fund

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Actuarially determined contribution	$ 902,741	$ 839,570	$ 710,169	$ 534,947	$ 529,684	$ 667,926	$ 1,101,296	$ 768,526	$ 1,613,617	$ 1,959,388
Contributions in relation to the actuarially determined contributions	1,754,156	1,021,684	820,129	534,947	1,412,065	1,453,604	1,366,097	1,444,619	2,036,365	1,993,833
Contribution deficiency (excess)	$ (851,415)	$ (182,114)	$ (109,960)	$ -	$ (882,381)	$ (785,678)	$ (264,801)	$ (676,093)	$ (422,748)	$ (34,445)
Covered payroll	$ 3,813,700	$ 3,345,959	$ 3,095,105	$ 3,252,658	$ 3,439,508	$ 3,610,410	$ 3,646,676	$ 3,881,447	$ 5,622,360	$ 5,598,252
Contributions as a percentage of covered payroll	46.00%	30.53%	26.50%	16.45%	41.05%	40.26%	37.46%	37.22%	36.22%	35.62%

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding method	Entry age normal actuarial cost method.
Amortization method	UAAL
Remaining amortization period	15 Years
Actuarial asset method	Each year, the prior actuarial value of assets is brought forward utilizing the historical geometric four-year average market value return (net of fees). It is possible that over time this technique will produce an insignificant bias above or below market value of assets
Salary increases	5.75% per year until the assumed retirement age.
Investment rate of return	6.60% per year, compounded annually, net of investment related expenses.
Payroll increases	0.00% per year.
Retirement age	Earlier of 1) age 55 and 10 years of service or 2) the completion of 25 years of service, regardless of age. Members who are eligible to retire on the valuation date are assumed to retire one year later.
Early retirement	Commencing with the earliest early retirement age (45), accrued benefit is reduced 3.0% for each year that early retirement precedes normal retirement.
Termination rates	See table below.
Disability rates	See table below.
Mortality	Healthy Active Lives: PubS.H-2010 (Below Median) for Employees, set forward one year., Healthy Retiree Lives: PubS.H-2010, set forward one year, Beneficiary Lives: PubG.H-2010 and set back one year for males, Disabled Lives: 80% PubG.H-2010 / 20% PubS.H-2010.

Termination rate table: Service	% terminating during the year
0	10.0%
1-4	10.0%
5-7	6.5%
8-9	4.0%
10-14	3.5%
15-19	3.5%
20+	3.5%

Disability rate table: Age	% becoming disabled during the year
20	0.1275%
25	0.1275%
30	0.1450%
35	0.1625%
40	0.3025%
45	0.5425%
50	1.0725%
55	2.2750%
60	4.0275%
65	6.9950%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Contributions

Firefighters Retirement Trust Fund

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Actuarially determined contribution	$ 806,957	$ 625,096	$ 1,024,723	$ 932,360	$ 825,101	$ 874,812	$ 1,040,445	$ 1,138,804	$ 1,274,453	$ 1,279,254
Contributions in relation to the actuarially determined contributions	1,426,430	1,042,624	1,024,723	973,448	1,053,932	1,106,509	1,338,383	1,367,267	1,387,538	1,305,970
Contribution deficiency (excess)	$ (619,473)	$ (417,528)	$ -	$ (41,088)	$ (228,831)	$ (231,697)	$ (297,938)	$ (228,463)	$ (113,085)	$ (26,716)
Covered payroll*	$ 3,590,976	$ 3,880,595	$ 3,779,161	$ 3,461,671	$ 3,541,208	$ 3,691,188	$ 3,676,484	$ 3,770,876	$ 3,861,980	$ 3,583,344
Contributions as a percentage of covered payroll	39.72%	26.87%	27.12%	28.12%	29.76%	29.98%	36.40%	36.26%	35.93%	36.45%

**For Fiscal years 2013 and 2014, the Covered Payroll figures were based on Pensionable Salary.*

Notes to Schedule

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

Methods and assumptions used to determine contribution rates:

Funding method	Entry age normal actuarial cost method.
Amortization method	UAAL
Remaining amortization period	15 years.
Actuarial asset method	Each year, all assets are valued at market value with an adjustment to uniformly spread actuarial investment gains and losses (as measured by actual market value investment return against expected market value investment return) over a five-year period.
Salary increases	Service based
Investment rate of return	6.40% per year, compounded annually, net of investment related expenses.
Payroll increases	None.
Retirement age	Earlier of 1) age 55 and 10 years of service or 2) the completion of 25 years of service, regardless of age. Members who are eligible to retire on the valuation date are assumed to retire one year later.
Early retirement	Commencing with the earliest early retirement age (45) and ten years of credited service, accrued benefit is reduced 3.0% for each year that early retirement precedes normal retirement.
Termination rates	See table below.
Disability rates	See table below.
Mortality	Healthy Active Lives: PubS.H-2010 (Below Median) for Employees, set forward one year., Healthy Retiree Lives: PubS.H-2010, set forward one year, Beneficiary Lives: PubG.H-2010 and set back one year for males, Disabled Lives: 80% PubG.H-2010 / 20% PubS.H-2010.

Termination rate table:

Service	% terminating during the year
0-4	7.50%
5-9	7.50%
10+	2.00%

Disability rate table:

Age	% becoming disabled during the year
20	0.15%
25	0.15%
30	0.20%
35	0.25%
40	0.35%
45	0.50%
50	0.90%
55	1.80%
60	4.50%
65	11.10%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the year Ended September 30, 2025
Schedule of Investment Returns

Police Officers' Retirement Trust Fund

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Annual money-weighted rate of return net of investment expense	10.22%	18.99%	8.89%	-10.27%	20.72%	5.51%	0.28%	7.44%	12.11%	10.29%

Firefighters' Retirement Trust Fund

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Annual money-weighted rate of return net of investment expense	8.66%	15.57%	6.60%	-15.83%	26.84%	10.63%	2.12%	10.75%	13.14%	9.37%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Contributions

Florida Retirement System (FRS) Defined Benefit Pension Plan

Fiscal Year Ending September 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2025	$ 6,392,429	$ 6,392,429	$ -	$ 24,074,081	26.55%
2024	5,546,887	5,546,887	-	21,651,515	25.62%
2023	4,123,064	4,123,064	-	18,583,026	22.19%
2022	3,275,042	3,275,042	-	16,362,161	20.02%
2021	2,855,554	2,855,554	-	15,886,839	17.97%
2020	2,514,565	2,514,565	-	15,647,852	16.07%
2019	2,158,353	2,158,353	-	14,856,614	14.53%
2018	1,783,775	1,783,775	-	13,903,098	12.83%
2017	1,007,807	1,007,807	-	10,891,291	9.25%
2016	924,730	924,730	-	11,039,794	8.38%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Fiscal Year Ending September 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	Covered Payroll	HIS Contributions as a Percentage of Covered Payroll
2025	$ 547,345	$ 547,345	$ -	$ 32,972,611	1.66%
2024	488,324	488,324	-	29,417,089	1.66%
2023	412,660	412,660	-	24,859,062	1.66%
2022	357,901	357,901	-	21,560,327	1.66%
2021	331,617	331,617	-	19,976,913	1.66%
2020	320,500	320,500	-	19,307,248	1.66%
2019	303,161	303,161	-	18,262,704	1.66%
2018	276,522	276,522	-	16,657,964	1.66%
2017	217,687	217,687	-	13,113,679	1.66%
2016	219,392	219,392	-	13,216,360	1.66%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Proportionate Share of the Net Pension Liability

Florida Retirement System (FRS) Defined Benefit Pension Plan

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	Proportion of the FRS Net Pension Liability	Proportion Share of the FRS Net Pension Liability	Covered Payroll	Proportion Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2025	2025	0.0845%	$ 26,215,622	$ 23,533,573	111.40%	87.26%
2024	2024	0.0783%	30,285,165	21,036,367	143.97%	83.70%
2023	2023	0.0699%	27,871,462	18,390,731	151.55%	82.89%
2022	2022	0.0675%	25,107,411	16,324,892	153.80%	96.40%
2021	2021	0.0655%	4,951,419	15,760,487	31.42%	78.85%
2020	2020	0.0661%	28,661,855	15,491,376	185.02%	82.61%
2019	2019	0.0601%	20,713,542	14,621,429	141.67%	84.26%
2018	2018	0.0489%	14,740,543	13,118,012	112.37%	83.89%
2017	2017	0.0329%	9,749,451	10,719,595	90.95%	84.88%
2016	2016	0.0341%	8,610,651	10,628,100	81.02%	92.00%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan

Fiscal Year Ending September 30,	Plan Sponsor Measurement Date June 30,	Proportion of the HIS Net Pension Liability	Proportion Share of the HIS Net Pension Liability	Covered Payroll	Proportion Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2025	2025	0.0717%	$ 9,184,579	$ 32,072,726	28.64%	6.36%
2024	2024	0.0674%	10,112,543	28,544,978	35.43%	4.80%
2023	2023	0.0618%	9,811,779	24,553,648	39.96%	4.81%
2022	2022	0.0582%	6,169,305	23,141,290	26.66%	3.56%
2021	2021	0.0555%	6,810,314	19,662,827	34.64%	3.00%
2020	2020	0.0550%	6,721,124	19,133,434	35.13%	2.63%
2019	2019	0.0533%	5,966,912	17,863,960	33.40%	2.15%
2018	2018	0.0480%	5,081,713	15,687,897	32.39%	1.64%
2017	2017	0.0404%	4,317,365	12,882,164	33.51%	0.97%
2016	2016	0.0412%	4,799,917	12,714,027	37.75%	0.50%

CITY OF SANFORD, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended September 30, 2025

Schedule of Changes in Net OPEB Liability and Related Ratios

	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability								
Service cost	$ 371,628	$ 216,789	$ 216,305	$ 311,964	$ 364,211	$ 375,844	$ 399,293	$ 533,774
Interest	731,057	669,702	698,262	346,395	395,395	629,498	860,472	904,284
Change of benefit terms	-	-	-	-	-	-	-	625,295
Change in assumptions	79,942	1,941,136	(109,793)	(2,811,242)	(25,299)	(1,230,490)	820,598	1,138,728
Differences between Expected and Actual Experience	(694,009)	3,550,508	(96,016)	3,719,942	(1,913,225)	(102,878)	(4,266,237)	(6,317,994)
Benefit payments*	(2,408,385)	(2,146,502)	(1,059,218)	(1,121,833)	(721,285)	(949,975)	(931,270)	(923,474)
Net change in total OPEB liability	(1,919,767)	4,231,633	(350,460)	445,226	(1,900,203)	(1,278,001)	(3,117,144)	(4,039,387)
Total OPEB liability - beginning	18,826,918	14,595,285	14,945,745	14,500,519	16,400,722	17,678,723	20,795,867	24,835,254
Total OPEB liability - ending (a)	$ 16,907,151	$ 18,826,918	$ 14,595,285	$ 14,945,745	$ 14,500,519	$ 16,400,722	$ 17,678,723	$ 20,795,867
Covered-employee payroll	44,271,617	39,997,728	31,383,985	26,003,886	26,775,687	25,094,610	24,576,016	23,801,468
Total OPEB liability as a percentage of covered employee payroll	38.2%	47.1%	46.5%	57.5%	54.2%	65.4%	71.9%	87.4%

*The benefit payment shown above is based on actual pay-go.

Notes to Schedule

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Schedules in the Required Supplementary information section are intended to show information for ten years, additional years' information will be displayed as it becomes available.

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CITY OF SANFORD, FLORIDA
Combining Nonmajor Governmental Funds

Special Revenue Funds are used to account for and report revenues from specific taxes or other earmarked revenue sources which, by law, are designated to finance particular functions or activities of government. The City has the following Special Revenue Funds:

Building Inspection Fund – To account for the activities related to administering and enforcing building regulations in the City.

Local Option Gas Tax Fund – To account for the City's allocation of the 6-cent local option gas tax collected in Seminole County and the expenditures used for the additions to or maintenance of the City's transportation system.

Local Option Sales Tax Fund – To account for the City's share of distributions related to the local government infrastructure surtax. Monies are used to fund transportation projects.

Law Enforcement Trust Fund – To account for proceeds obtained through forfeiture of confiscated and unclaimed property through court judgment. The proceeds are to be used solely for law enforcement purposes, with emphasis given to community policing activities, training & law enforcement operations.

Police Education Fund – To account for the portion of fines on certain violations, per statute, to fund continuing education for police officers.

Cemetery Fund – To account for certain funds set aside to be used for capital improvements and perpetual care of a local cemetery.

Insurance Premium Tax Trust Fund – To account for intergovernmental revenue from the State that is transferred to the Police and Fire Pension funds.

LIHEAP Grant Fund – To account for grants received by the City as a sub grantee; grant proceeds are utilized to provide home energy assistance to qualifying Seminole County residents.

Recreation Facilities Impact Fees Fund, Fire Public Safety Facilities Impact Fees Fund, and Police Public Safety Facilities Impact Fees Funds – To account for impact fees collected by the City to be used solely for the expansion or acquisition of capital facilities or equipment made necessary by the new construction from which the fees were collected or for principal payments (including sinking fund payments) on bonds to expand or acquire such facilities or equipment.

CDBG Grant Fund - To account for grants received by the City that are related to the Community Development Block Grant.

ARPA Grant Fund - To account for the grant funds related to the American Rescue Plan Act.

NSP Grant Fund – To account for grants received by the City that are related to the Neighborhood Stabilization Program Grant.

Public Art Commission Fund – To account for funds dedicated for public art throughout the City.

9th Cent Sales Tax Fund – To account for the portion of the State Revenue Sharing Funds dedicated for Transportation Infrastructure.

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources and for payment of principal, interest and related costs on Special Facilities Revenue Bonds and capital leases.

Capital Projects Fund

The Capital Projects Funds are used to account for and report financial resources earmarked for the replacement of capital equipment, acquisition or construction of major capital facilities, and other project-oriented activities (other than those financed by proprietary funds):

Capital Project Fund - To account for funds set aside for new and replacement capital.

Capital Recovery Fee Fund – To account for funds collected as a surcharge on recreation fees for the maintenance and improvement of recreation facilities.

Catalyst Site Fund – To account for funds set aside for downtown development.

2023 Construction Fund – To account for the funds related to the issuance of new debt for capital projects.

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CITY OF
SANFORD
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CITY OF SANFORD, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025

	Special Revenue Funds						
	Building Inspection Fund	Local Option Gas Tax Fund	Local Option Sales Tax Fund	Law Enforcement Trust Fund	Police Education Fund	Cemetery Fund	LIHEAP Grant Fund
Assets							
Cash and cash equivalents	$ -	$ -	$ 11,194,668	$ -	$ -	$ -	$ 330,138
Investments	3,367,333	3,327,480	6,725,424	533,822	90,844	264,672	-
Accounts receivable, net	18,843	18,634	23,075	2,991	509	1,457	-
Due from other governments	-	93,260	379,873	-	86	-	42,565
Prepaid items	433	2,470	-	-	-	-	-
Total assets	$ 3,386,609	$ 3,441,844	$ 18,323,040	$ 536,813	$ 91,439	$ 266,129	$ 372,703
Liabilities							
Accounts payable	$ 222,226	$ 352,654	$ 332,000	$ -	$ -	$ 35,415	$ 10,412
Accrued liabilities	68,219	-	-	-	-	-	8,324
Retainage payable	238,220	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Due to other governments	10,657	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	539,322	352,654	332,000	-	-	35,415	18,736
Deferred Inflows of Resources							
Unavailable revenue	-	-	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-	-	-
Fund balances							
Nonspendable:							
Prepaid items	433	2,470	-	-	-	-	-
Restricted for:							
Building inspections	2,340,736	-	-	-	-	-	-
Transportation	-	3,086,720	17,991,040	-	-	-	-
Law enforcement	-	-	-	536,813	91,439	-	-
Assistance programs	-	-	-	-	-	-	353,967
System expansion	-	-	-	-	-	-	-
Committed for:							
Cemetery purposes	-	-	-	-	-	230,714	-
Capital replacements	-	-	-	-	-	-	-
Assigned for:							
Debt service	-	-	-	-	-	-	-
Capital replacements	506,118	-	-	-	-	-	-
Unassigned/(Deficit)	-	-	-	-	-	-	-
Total fund balances	2,847,287	3,089,190	17,991,040	536,813	91,439	230,714	353,967
Total liabilites, deferred inflows of resources, and fund balances	$ 3,386,609	$ 3,441,844	$ 18,323,040	$ 536,813	$ 91,439	$ 266,129	$ 372,703

Special Revenue Funds									
Police Impact Fee Fund	Fire Impact Fee Fund	Recreation Impact Fee Fund	ARPA Grant Fund	CDBG Grant Fund	NSP Grant Fund	Public Art Commission Fund	9th Cent Sales Tax Fund	Total Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,524,806
2,117,828	1,839,017	2,516,943	380,587	-	27,092	61,407	1,244,889	22,497,338
410	356	488	2,056	-	146	332	6,729	76,026
-	-	-	-	213,022	-	-	-	728,806
-	-	-	-	-	-	-	-	-
-	5,328	-	-	-	-	-	-	8,231
$ 2,118,238	$ 1,844,701	$ 2,517,431	$ 382,643	$ 213,022	$ 27,238	$ 61,739	$ 1,251,618	$ 34,835,207
$ 29,323	$ -	$ -	$ -	$ 192,441	$ 299	$ 22,656	$ -	$ 1,197,426
-	-	-	-	4,806	-	-	-	81,349
-	-	-	-	-	-	-	-	238,220
-	-	-	-	24,774	-	-	-	24,774
-	-	-	-	149	-	-	-	10,806
-	-	-	-	-	27,238	-	-	27,238
29,323	-	-	-	222,170	27,537	22,656	-	1,579,813
-	-	-	-	19,446	-	-	-	19,446
-	-	-	-	19,446	-	-	-	19,446
-	-	-	-	-	-	-	-	-
-	5,328	-	-	-	-	-	-	8,231
-	-	-	-	-	-	-	-	2,340,736
-	-	-	-	-	-	-	1,251,618	22,329,378
-	-	-	-	-	-	-	-	628,252
-	-	-	-	-	-	-	-	353,967
2,088,915	1,839,373	2,517,431	-	-	-	-	-	6,445,719
-	-	-	-	-	-	-	-	230,714
-	-	-	-	-	-	39,083	-	39,083
-	-	-	-	-	-	-	-	-
-	-	-	382,643	-	-	-	-	888,761
-	-	-	-	(28,594)	(299)	-	-	(28,893)
2,088,915	1,844,701	2,517,431	382,643	(28,594)	(299)	39,083	1,251,618	33,235,948
$ 2,118,238	$ 1,844,701	$ 2,517,431	$ 382,643	$ 213,022	$ 27,238	$ 61,739	$ 1,251,618	$ 34,835,207

CITY OF SANFORD, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2025
(Continued)

	Debt Service Fund	Capital Project Funds					
	Debt Service Fund	Capital Project Fund	Capital Recovery Fee Fund	Catalyst Fund	2023 Construction Fund	Total Capital Projects	Total Nonmajor Governmental Funds
Assets							
Cash and cash equivalents	$ 2,020,260	$ -	$ -	$ -	$ -	$ -	$ 13,545,066
Investments	-	18,355,582	67,825	-	14,710,776	33,134,183	55,631,521
Accounts receivable, net	392	102,478	380	-	-	102,858	179,276
Due from other governments	-	33,488	-	-	-	33,488	762,294
Inventories	-	98,056	-	-	-	98,056	98,056
Prepaid items	-	19,312	-	-	-	19,312	27,543
Total assets	$ 2,020,652	$ 18,608,916	$ 68,205	$ -	$ 14,710,776	$ 33,387,897	$ 70,243,756
Liabilities							
Accounts payable	$ 1,500	$ 606,838	$ -	$ -	$ 935,211	$ 1,542,049	$ 2,740,975
Accrued liabilities	-	-	-	-	-	-	81,349
Retainage payable	-	51,351	-	-	232,416	283,767	521,987
Due to other funds	-	-	-	-	-	-	24,774
Due to other governments	-	-	-	-	-	-	10,806
Unearned revenues	-	500	214	-	-	714	27,952
Total liabilities	1,500	658,689	214	-	1,167,627	1,826,530	3,407,843
Deferred Inflows of Resources							
Unavailable revenue	-	19,364	-	-	-	19,364	38,810
Total deferred inflows of resources	-	19,364	-	-	-	19,364	38,810
Fund balances							
Nonspendable:							
Inventory	-	98,056	-	-	-	98,056	98,056
Prepaid items	-	19,312	-	-	-	19,312	27,543
Restricted for:							
Building inspections	-	-	-	-	-	-	2,340,736
Transportation	-	-	-	-	-	-	22,329,378
Law enforcement	-	-	-	-	-	-	628,252
Assistance programs	-	-	-	-	-	-	353,967
System expansion	-	-	-	-	-	-	6,445,719
Committed for:							
Cemetery purposes	-	-	-	-	-	-	230,714
Capital replacements	-	-	67,991	-	-	67,991	107,074
Assigned for:							
Debt service	2,019,152	-	-	-	-	-	2,019,152
Capital replacements	-	17,813,495	-	-	13,543,149	31,356,644	32,245,405
Unassigned/(Deficit)	-	-	-	-	-	-	(28,893)
Total fund balances	2,019,152	17,930,863	67,991	-	13,543,149	31,542,003	66,797,103
Total liabilites, deferred inflows of resources, and fund balances	$ 2,020,652	$ 18,608,916	$ 68,205	$ -	$ 14,710,776	$ 33,387,897	$ 70,243,756

(Continued)



CITY OF
SANFORD
FLORIDA

CITY OF SANFORD, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025

	Special Revenue Funds						
	Building Inspection Fund	Local Option Gas Tax Fund	Local Option Sales Tax Fund	Law Enforcement Trust Fund	Police Education Fund	Cemetery Fund	Insurance Premium Tax Fund
Revenues							
Permits and fees	$ 1,150,783	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	1,206,288	5,982,197	-	-	-	1,433,960
Charges for services	-	-	-	-	-	66,975	-
Investment earnings	210,508	132,044	657,317	21,028	3,820	7,848	-
Fines and forfeitures	-	-	-	94,067	5,797	-	-
Service assessments	-	-	-	-	-	-	-
Miscellaneous	-	-	-	1,000	-	-	-
Total revenues	1,361,291	1,338,332	6,639,514	116,095	9,617	74,823	1,433,960
Expenditures							
Current:							
General government	-	-	-	-	-	-	-
Public safety	2,319,937	-	-	445	20,866	-	1,433,960
Physical environment	-	-	-	-	-	176,636	-
Transportation	-	1,047,500	2,632,935	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	-
Culture and recreation	-	-	67,000	-	-	-	-
Debt service:							
Principal	2,425	-	-	-	-	-	-
Interest	255	-	-	-	-	-	-
Capital outlay:							
General government	-	-	-	-	-	-	-
Public safety	2,685,402	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	-
Transportation	-	-	419,266	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Total expenditures	5,008,019	1,047,500	3,119,201	445	20,866	176,636	1,433,960
Excess (deficiency) of revenues over (under) expenditures	(3,646,728)	290,832	3,520,313	115,650	(11,249)	(101,813)	-
Other financing sources (uses)							
Leases	14,081	-	-	-	-	-	-
Transfers in	-	-	107,661	-	-	128,456	-
Transfers out	-	-	-	-	-	-	-
Proceeds from sale of assets	-	-	-	-	-	-	-
Total other financing sources (uses)	14,081	-	107,661	-	-	128,456	-
Net change in fund balances	(3,632,647)	290,832	3,627,974	115,650	(11,249)	26,643	-
Fund balances							
Beginning of year	6,479,934	2,798,358	14,363,066	421,163	102,688	204,071	-
End of year	$ 2,847,287	$ 3,089,190	$ 17,991,040	$ 536,813	$ 91,439	$ 230,714	$ -

Special Revenue Funds										
LIHEAP Grant Fund	Police Impact Fee Fund	Fire Impact Fee Fund	Recreation Impact Fee Fund	ARPA Grant Fund	CDBG Grant Fund	NSP Grant Fund	Public Art Commission Fund	9th Cent Sales Tax Fund	Total Special Revenue
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,150,783
1,009,709	-	-	-	2,845,047	856,710	6,865	-	562,499	13,903,275
-	-	-	-	-	-	-	-	-	66,975
-	93,808	73,716	94,539	55,130	(50)	-	-	-	1,349,708
-	-	-	-	-	-	-	-	-	99,864
-	389,573	380,369	623,412	-	-	-	-	-	1,393,354
-	-	-	-	-	-	-	-	-	1,000
1,009,709	483,381	454,085	717,951	2,900,177	856,660	6,865	-	562,499	17,964,959
-	-	-	-	-	-	-	95,856	-	95,856
-	62,490	34,913	-	-	-	-	-	-	3,872,611
-	-	-	-	-	-	-	-	-	176,636
-	-	-	-	-	-	-	-	1,119	3,681,554
-	-	-	-	-	871,780	3,494	-	-	875,274
998,163	-	-	-	-	-	-	-	-	998,163
-	-	-	1,990	-	-	-	-	-	68,990
15,616	-	-	-	-	-	-	-	-	18,041
93	-	-	-	-	-	-	-	-	348
-	-	-	-	-	-	-	87,500	-	87,500
-	344,481	52,057	-	-	-	-	-	-	3,081,940
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	326,361	745,627
-	-	-	(2,500)	-	-	-	-	-	(2,500)
1,013,872	406,971	86,970	(510)	-	871,780	3,494	183,356	327,480	13,700,040
(4,163)	76,410	367,115	718,461	2,900,177	(15,120)	3,371	(183,356)	235,019	4,264,919
5,084	-	-	-	-	-	-	-	-	19,165
-	-	-	-	-	50,997	-	197,200	-	484,314
-	-	-	-	(2,845,047)	-	-	-	-	(2,845,047)
-	-	-	-	-	-	-	-	-	-
5,084	-	-	-	(2,845,047)	50,997	-	197,200	-	(2,341,568)
921	76,410	367,115	718,461	55,130	35,877	3,371	13,844	235,019	1,923,351
353,046	2,012,505	1,477,586	1,798,970	327,513	(64,471)	(3,670)	25,239	1,016,599	31,312,597
$ 353,967	$ 2,088,915	$ 1,844,701	$ 2,517,431	$ 382,643	$ (28,594)	$ (299)	$ 39,083	$ 1,251,618	$ 33,235,948

CITY OF SANFORD, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2025
(Continued)

	Debt Service	Capital Projects					
	Debt Service Fund	Capital Project Fund	Capital Recovery Fee Fund	Catalyst Fund	2023 Construction Fund	Total Capital Projects	Total Nonmajor Governmental Funds
Revenues							
Permits and fees	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,150,783
Intergovernmental	-	306,444	-	-	-	306,444	14,209,719
Charges for services	-	-	-	-	-	-	66,975
Investment earnings	87,175	618,069	2,752	(127)	648,971	1,269,665	2,706,548
Fines and forfeitures	-	-	-	-	-	-	99,864
Service assessments	-	-	8,609	-	-	8,609	1,401,963
Miscellaneous	-	10,655	-	-	-	10,655	11,655
Total revenues	87,175	935,168	11,361	(127)	648,971	1,595,373	19,647,507
Expenditures							
Current:							
General government	-	602,983	-	-	-	602,983	698,839
Public safety	-	503,257	-	-	-	503,257	4,375,868
Physical environment	-	-	-	-	-	-	176,636
Transportation	-	-	-	-	-	-	3,681,554
Economic environment	-	-	-	-	-	-	875,274
Human services	-	-	-	-	-	-	998,163
Culture and recreation	-	127,608	58	-	-	127,666	196,656
Debt service:							
Principal	1,132,581	-	-	-	-	-	1,150,622
Interest	910,996	-	-	-	-	-	911,344
Capital outlay:							
General government	-	909,673	-	-	-	909,673	997,173
Public safety	-	3,090,408	-	-	5,119,765	8,210,173	11,292,113
Physical Environment	-	34	-	-	-	34	34
Transportation	-	345,144	-	-	-	345,144	1,090,771
Culture and recreation	-	458,824	-	-	76,826	535,650	533,150
Total expenditures	2,043,577	6,037,931	58	-	5,196,591	11,234,580	26,978,197
Excess (deficiency) of revenues over (under) expenditures	(1,956,402)	(5,102,763)	11,303	(127)	(4,547,620)	(9,639,207)	(7,330,690)
Other financing sources (uses)							
Leases	-	-	-	-	-	-	19,165
Transfers in	2,417,646	10,115,254	-	-	-	10,115,254	13,017,214
Transfers out	-	(21,500)	-	-	-	(21,500)	(2,866,547)
Proceeds from sale of assets	-	97,085	-	-	-	97,085	97,085
Total other financing sources (uses)	2,417,646	10,190,839	-	-	-	10,190,839	10,266,917
Net change in fund balances	461,244	5,088,076	11,303	(127)	(4,547,620)	551,632	2,936,227
Fund balances							
Beginning of year	1,557,908	12,842,787	56,688	127	18,090,769	30,990,371	63,860,876
End of year	$ 2,019,152	$ 17,930,863	$ 67,991	$ -	$ 13,543,149	$ 31,542,003	$ 66,797,103

(Continued)

CITY OF SANFORD, FLORIDA
Building Inspection Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Permits and fees	$ 731,734	$ 731,734	$ 1,150,783	$ 419,049
Investment earnings	586,552	586,552	210,508	(376,044)
Miscellaneous	28,200	28,200	8,355	(19,845)
Total revenues	1,346,486	1,346,486	1,369,646	23,160
Expenditures				
Current:				
Public safety	2,302,403	2,757,217	2,328,292	428,925
Principal	-	-	2,425	(2,425)
Interest	-	-	255	(255)
Capital outlay:				
Public safety	-	3,914,321	2,685,402	1,228,919
Total expenditures	2,302,403	6,671,538	5,016,374	1,655,164
Excess (deficiency) of revenues over (under) expenditures	(955,917)	(5,325,052)	(3,646,728)	1,678,324
Other financing sources (uses)				
Leases	-	-	14,081	14,081
Total other financing sources (uses)	-	-	14,081	14,081
Net change in fund balances	(955,917)	(5,325,052)	(3,632,647)	1,692,405
Fund balances				
Beginning of year	-	-	6,479,934	6,479,934
Prior carryforward	955,917	5,325,052	-	(5,325,052)
End of year	$ -	$ -	$ 2,847,287	$ 2,847,287

CITY OF SANFORD, FLORIDA
Local Option Gas Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 1,112,458	$ 1,112,458	$ 1,206,288	$ 93,830
Investment earnings	170,208	170,208	132,044	(38,164)
Total revenues	1,282,666	1,282,666	1,338,332	55,666
Expenditures				
Current:				
Transportation	2,069,570	2,086,038	1,047,500	1,038,538
Capital outlay:				
Transportation	1,750,000	1,846,578	-	1,846,578
Total expenditures	3,819,570	3,932,616	1,047,500	2,885,116
Excess (deficiency) of revenues over (under) expenditures	(2,536,904)	(2,649,950)	290,832	2,940,782
Net change in fund balances	(2,536,904)	(2,649,950)	290,832	2,940,782
Fund balances				
Beginning of year	-	-	2,798,358	2,798,358
Prior carryforward	2,536,904	2,649,950	-	(2,649,950)
End of year	$ -	$ -	$ 3,089,190	$ 3,089,190

CITY OF SANFORD, FLORIDA
Local Option Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 4,820,749	$ 4,820,749	$ 5,982,197	$ 1,161,448
Investment earnings	1,061,396	1,061,396	657,317	(404,079)
Total revenues	5,882,145	5,882,145	6,639,514	757,369
Expenditures				
Current:				
Transportation	112,500	112,500	2,632,935	(2,520,435)
Culture and recreation	-	148,874	67,000	81,874
Capital outlay:				
Transportation	5,050,000	6,878,821	419,266	6,459,555
Total expenditures	5,162,500	7,140,195	3,119,201	4,020,994
Excess (deficiency) of revenues over (under) expenditures	719,645	(1,258,050)	3,520,313	4,778,363
Other financing sources (uses)				
Transfers in	-	107,661	107,661	-
Total other financing sources (uses)	-	107,661	107,661	-
Net change in fund balances	719,645	(1,150,389)	3,627,974	4,778,363
Fund balances				
Beginning of year	-	-	14,363,066	14,363,066
Prior carryforward	-	1,870,034	-	(1,870,034)
Future carryforward	(719,645)	(719,645)	-	719,645
End of year	$ -	$ -	$ 17,991,040	$ 17,991,040

CITY OF SANFORD, FLORIDA
Law Enforcement Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ 10,750	$ 10,750	$ 21,028	$ 10,278
Fines and forfeitures	46,000	46,000	94,067	48,067
Miscellaneous	-	-	1,000	1,000
Total revenues	56,750	56,750	116,095	59,345
Expenditures				
Current:				
Public safety	-	-	445	(445)
Total expenditures	-	-	445	(445)
Excess (deficiency) of revenues over (under) expenditures	56,750	56,750	115,650	58,900
Net change in fund balances	56,750	56,750	115,650	58,900
Fund balances				
Beginning of year	-	-	421,163	421,163
Future carryforward	(56,750)	(56,750)	-	56,750
End of year	$ -	$ -	$ 536,813	$ 536,813

CITY OF SANFORD, FLORIDA
Police Education Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ 6,720	$ 6,720	$ 3,820	$ (2,900)
Fines and forfeitures	8,000	8,000	5,797	(2,203)
Total revenues	14,720	14,720	9,617	(5,103)
Expenditures				
Current:				
Public safety	75,000	75,000	20,866	54,134
Total expenditures	75,000	75,000	20,866	54,134
Excess (deficiency) of revenues over (under) expenditures	(60,280)	(60,280)	(11,249)	49,031
Net change in fund balances	(60,280)	(60,280)	(11,249)	49,031
Fund balances				
Beginning of year	-	-	102,688	102,688
Prior carryforward	60,280	60,280	-	(60,280)
End of year	$ -	$ -	$ 91,439	$ 91,439

CITY OF SANFORD, FLORIDA
Cemetery Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 64,000	$ 64,000	$ 66,975	$ 2,975
Investment earnings	4,239	4,239	7,848	3,609
Total revenues	68,239	68,239	74,823	6,584
Expenditures				
Current:				
Physical environment	130,195	145,195	176,636	(31,441)
Capital Outlay:				
Physical Environment	30,000	51,500	-	51,500
Total expenditures	160,195	196,695	176,636	20,059
Excess (deficiency) of revenues over (under) expenditures	(91,956)	(128,456)	(101,813)	26,643
Other financing sources (uses)				
Transfers in	91,956	128,456	128,456	-
Total other financing sources (uses)	91,956	128,456	128,456	-
Net change in fund balances	-	-	26,643	26,643
Fund balances				
Beginning of year	-	-	204,071	204,071
End of year	$ -	$ -	$ 230,714	$ 230,714

CITY OF SANFORD, FLORIDA
LIHEAP Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 1,081,741	$ 1,081,741	$ 1,009,709	$ (72,032)
Total revenues	1,081,741	1,081,741	1,009,709	(72,032)
Expenditures				
Current:				
Human services	1,110,653	1,110,653	998,163	112,490
Principal	-	-	15,616	(15,616)
Interest	-	-	93	(93)
Total expenditures	1,110,653	1,110,653	1,013,872	96,781
Excess (deficiency) of revenues over (under) expenditures	(28,912)	(28,912)	(4,163)	24,749
Other financing sources (uses)				
Leases	-	-	5,084	5,084
Transfers in	28,912	28,912	-	(28,912)
Total other financing sources (uses)	28,912	28,912	5,084	(23,828)
Net change in fund balances	-	-	921	921
Fund balances				
Beginning of year	-	-	353,046	353,046
End of year	$ -	$ -	$ 353,967	$ 353,967

CITY OF SANFORD, FLORIDA
Police Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ 108,818	$ 108,818	$ 93,808	$ (15,010)
Service assessments	110,419	110,419	389,573	279,154
Total revenues	219,237	219,237	483,381	264,144
Expenditures				
Current:				
Public safety	-	69,664	62,490	7,174
Capital outlay:				
Public safety	138,095	805,629	344,481	461,148
Total expenditures	138,095	875,293	406,971	468,322
Excess (deficiency) of revenues over (under) expenditures	81,142	(656,056)	76,410	732,466
Net change in fund balances	81,142	(656,056)	76,410	732,466
Fund balances				
Beginning of year	-	-	2,012,505	2,012,505
Prior carryforward	-	737,198	-	(737,198)
Future carryforward	(81,142)	(81,142)	-	81,142
End of year	$ -	$ -	$ 2,088,915	$ 2,088,915

CITY OF SANFORD, FLORIDA
Fire Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ 86,440	$ 86,440	$ 73,716	$ (12,724)
Service assessments	105,972	105,972	380,369	274,397
Total revenues	192,412	192,412	454,085	261,673
Expenditures				
Current:				
Public safety	-	18,840	34,913	(16,073)
Capital outlay:				
Public safety	-	1,059,359	52,057	1,007,302
Total expenditures	-	1,078,199	86,970	991,229
Excess (deficiency) of revenues over (under) expenditures	192,412	(885,787)	367,115	1,252,902
Net change in fund balances	192,412	(885,787)	367,115	1,252,902
Fund balances				
Beginning of year	-	-	1,477,586	1,477,586
Prior carryforward	-	1,078,199	-	(1,078,199)
Future carryforward	(192,412)	(192,412)	-	192,412
End of year	$ -	$ -	$ 1,844,701	$ 1,844,701

CITY OF SANFORD, FLORIDA
Recreation Impact Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ 114,978	$ 114,978	$ 94,539	$ (20,439)
Service assessments	213,470	213,470	623,412	409,942
Total revenues	328,448	328,448	717,951	389,503
Expenditures				
Current:				
Culture and recreation	-	7,900	1,990	5,910
Capital outlay:				
Culture and recreation	-	1,083,915	(2,500)	1,086,415
Total expenditures	-	1,091,815	(510)	1,092,325
Excess (deficiency) of revenues over (under) expenditures	328,448	(763,367)	718,461	1,481,828
Net change in fund balances	328,448	(763,367)	718,461	1,481,828
Fund balances				
Beginning of year	-	-	1,798,970	1,798,970
Prior carryforward	-	1,091,815	-	(1,091,815)
Future carryforward	(328,448)	(328,448)	-	328,448
End of year	$ -	$ -	$ 2,517,431	$ 2,517,431

CITY OF SANFORD, FLORIDA
ARPA Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Final	Actual	Variance with Final Budget - Positive (Negative)
Revenues			
Intergovernmental	$ -	$ 2,845,047	$ 2,845,047
Investment earnings	-	55,130	55,130
Total revenues	-	2,900,177	2,900,177
Expenditures			
Total expenditures	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	2,900,177	2,900,177
Other financing sources (uses)			
Transfers out	(327,512)	(2,845,047)	(2,517,535)
Total other financing sources (uses)	(327,512)	(2,845,047)	(2,517,535)
Net change in fund balances	(327,512)	55,130	382,642
Fund balances			
Beginning of year	-	327,513	327,513
Prior carryforward	327,512	-	(327,512)
End of year	$ -	$ 382,643	$ 382,643

CITY OF SANFORD, FLORIDA
CDBG Grant Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 464,255	$ 942,487	$ 856,710	$ (85,777)
Investment earnings	-	-	(50)	(50)
Total revenues	464,255	942,487	856,660	(85,827)
Expenditures				
Current:				
Economic environment	648,381	1,163,573	871,780	291,793
Total expenditures	648,381	1,163,573	871,780	291,793
Excess (deficiency) of revenues over (under) expenditures	(184,126)	(221,086)	(15,120)	205,966
Other financing sources (uses)				
Transfers in	60,782	60,782	50,997	(9,785)
Total other financing sources (uses)	60,782	60,782	50,997	(9,785)
Net change in fund balances	(123,344)	(160,304)	35,877	196,181
Fund balances				
Beginning of year	-	-	(64,471)	(64,471)
Prior carryforward	123,344	160,304	-	(160,304)
End of year	$ -	$ -	$ (28,594)	$ (28,594)

CITY OF SANFORD, FLORIDA
Public Art Commission Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Expenditures				
Current:				
General government	$ -	$ -	$ 95,856	$ (95,856)
Culture and recreation	109,700	109,700	-	109,700
Capital Outlay:				
General government	-	87,500	87,500	-
Total expenditures	109,700	197,200	183,356	13,844
Excess (deficiency) of revenues over (under) expenditures	(109,700)	(197,200)	(183,356)	13,844
Other financing sources (uses)				
Transfers in	109,700	197,200	197,200	-
Total other financing sources (uses)	109,700	197,200	197,200	-
Net change in fund balances	-	-	13,844	13,844
Fund balances				
Beginning of year	-	-	25,239	25,239
End of year	$ -	$ -	$ 39,083	$ 39,083

CITY OF SANFORD, FLORIDA
9th Cent Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 600,000	$ 464,691	$ 562,499	$ 97,808
Total revenues	600,000	464,691	562,499	97,808
Expenditures				
Transportation	-	-	1,119	(1,119)
Capital outlay:				
Transportation	600,000	1,533,830	326,361	1,207,469
Total expenditures	600,000	1,533,830	327,480	1,206,350
Excess (deficiency) of revenues over (under) expenditures	-	(1,069,139)	235,019	1,304,158
Net change in fund balances	-	(1,069,139)	235,019	1,304,158
Fund balances				
Beginning of year	-	-	1,016,599	1,016,599
Prior carryforward	-	1,069,139	-	(1,069,139)
End of year	$ -	$ -	$ 1,251,618	$ 1,251,618

CITY OF SANFORD, FLORIDA
Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Investment earnings	$ -	$ -	$ 87,175	$ 87,175
Total revenues	-	-	87,175	87,175
Expenditures				
Debt service:				
Principal	1,290,188	1,290,188	1,132,581	157,607
Interest	1,470,780	1,470,780	910,996	559,784
Total expenditures	2,760,968	2,760,968	2,043,577	717,391
Excess (deficiency) of revenues over (under) expenditures	(2,760,968)	(2,760,968)	(1,956,402)	804,566
Other financing sources (uses)				
Transfers in	2,760,968	2,417,646	2,417,646	-
Total other financing sources (uses)	2,760,968	2,417,646	2,417,646	-
Net change in fund balances	-	(343,322)	461,244	804,566
Fund balances				
Beginning of year	-	-	1,557,908	1,557,908
Prior carryforward	-	343,322	-	(343,322)
End of year	$ -	$ -	$ 2,019,152	$ 2,019,152

CITY OF SANFORD, FLORIDA
Capital Project Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ -	$ 489,948	$ 306,444	$ (183,504)
Investment earnings	404,336	404,336	618,069	213,733
Miscellaneous	-	-	10,655	10,655
Total revenues	404,336	894,284	935,168	40,884
Expenditures				
Current:				
General government	553,600	812,326	602,983	209,343
Public safety	222,187	841,804	503,257	338,547
Culture and recreation	352,500	352,310	127,608	224,702
Capital outlay:				
General government	609,000	1,891,922	899,744	992,178
Public safety	3,431,907	5,440,226	3,090,408	2,349,818
Physical Environment	-	2,022	9,963	(7,941)
Transportation	305,000	969,309	345,144	624,165
Culture and recreation	62,891	4,161,045	458,824	3,702,221
Total expenditures	5,537,085	14,470,964	6,037,931	8,433,033
Excess (deficiency) of revenues over (under) expenditures	(5,132,749)	(13,576,680)	(5,102,763)	8,473,917
Other financing sources (uses)				
Financed purchase agreements	1,463,781	1,463,781	-	(1,463,781)
Transfers in	7,622,291	10,115,254	10,115,254	-
Transfers out	-	(21,500)	(21,500)	-
Proceeds from sale of assets	-	-	97,085	97,085
Total other financing sources	9,086,072	11,557,535	10,190,839	(1,366,696)
Net change in fund balances	3,953,323	(2,019,145)	5,088,076	7,107,221
Fund balances				
Beginning of year	-	-	12,842,787	12,842,787
Prior carryforward	-	5,531,155	-	(5,531,155)
Future carryforward	(3,953,323)	(3,512,010)	-	3,512,010
End of year	$ -	$ -	$ 17,930,863	$ 17,930,863

Note: This schedule is prepared on the basis of Generally Accepted Accounting Principles.

CITY OF SANFORD, FLORIDA
Capital Recovery Fee Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
Revenues				
Investment earnings	$ 2,686	$ 2,686	$ 2,752	$ 66
Service assessments	6,500	6,500	8,609	2,109
Total revenues	9,186	9,186	11,361	2,175
Expenditures				
Current:				
Culture and recreation	-	-	58	(58)
Capital outlay:				
Total expenditures	-	-	58	(58)
Excess (deficiency) of revenues over (under) expenditures	9,186	9,186	11,303	2,117
Net change in fund balances	9,186	9,186	11,303	2,117
Fund balances				
Beginning of year	-	-	56,688	56,688
Future carryforward	(9,186)	(9,186)	-	9,186
End of year	$ -	$ -	$ 67,991	$ 67,991

CITY OF SANFORD, FLORIDA
2023 Construction Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget to Actual
For the Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ -	$ 1,000,000	$ -	$ (1,000,000)
Investment earnings	-	-	648,971	648,971
Total revenues	-	1,000,000	648,971	(351,029)
Expenditures				
Capital outlay:				
Public safety	-	11,148,389	5,119,765	6,028,624
Transportation	-	3,517	-	3,517
Culture and recreation	-	84,943	76,826	8,117
Total expenditures	-	11,236,849	5,196,591	6,040,258
Excess (deficiency) of revenues over (under) expenditures	-	(10,236,849)	(4,547,620)	5,689,229
Net change in fund balances	-	(10,236,849)	(4,547,620)	5,689,229
Fund balances				
Beginning of year	-	-	18,090,769	18,090,769
Prior carryforward	-	10,236,849	-	(10,236,849)
End of year	$ -	$ -	$ 13,543,149	$ 13,543,149

CITY OF SANFORD, FLORIDA
Statement of Net Position
Non Major Proprietary Funds
September 30, 2025

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Assets			
Current assets:			
Cash and cash equivalents	$ 889,531	$ 276,597	$ 1,166,128
Investments	8,529,512	3,529,741	12,059,253
Accounts receivable, net	153,234	27,888	181,122
Due from other governments	-	1,242	1,242
Inventories	69,722	-	69,722
Prepaid items	-	41,325	41,325
Restricted investments for customer deposits	-	28,712	28,712
Total current assets	9,641,999	3,905,505	13,547,504
Noncurrent assets:			
Capital assets:			
Nondepreciable	6,772,593	766,480	7,539,073
Depreciable, net	80,767	714,866	795,633
Total noncurrent assets	6,853,360	1,481,346	8,334,706
Total assets	16,495,359	5,386,851	21,882,210
Liabilities			
Current liabilities:			
Accounts payable	1,425,180	45,049	1,470,229
Retainage payable	132,114	-	132,114
Due to other funds	-	317,500	317,500
Due to other governments	9,844	4,775	14,619
Customer deposits	-	28,712	28,712
Total current liabilities	1,567,138	396,036	1,963,174
Total liabilities	1,567,138	396,036	1,963,174
Net position			
Net investment in capital assets	5,973,505	1,481,348	7,454,853
Unrestricted / (deficit)	8,954,716	3,509,467	12,464,183
Total net position	$ 14,928,221	$ 4,990,815	$ 19,919,036

CITY OF SANFORD, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Non Major Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Operating revenues			
Charges for sales/services	$ 1,830,740	$ 872,263	$ 2,703,003
Miscellaneous	56,957	50,545	107,502
Total operating revenues	1,887,697	922,808	2,810,505
Operating expenses			
Personnel services	-	10,079	10,079
Materials and supplies	801,823	512,533	1,314,356
Contractual services	867,284	404,905	1,272,189
Depreciation	136,981	147,455	284,436
Amortization	75,222	-	75,222
Total operating expenses	1,881,310	1,074,972	2,956,282
Operating income (loss)	6,387	(152,164)	(145,777)
Nonoperating revenues (expenses)			
Investment earnings	158,041	-	158,041
Interest expense	(667)	-	(667)
Total nonoperating revenues (expenses)	157,374	-	157,374
Income (loss) before contributions, grants, extraordinary gain (loss), and transfers	163,761	(152,164)	11,597
Capital contributions and grants	-	5,982	5,982
Transfers in	7,421,593	1,794,311	9,215,904
Change in net position	7,585,354	1,648,129	9,233,483
Net position - beginning	7,342,867	3,342,686	10,685,553
Total net position - ending	$ 14,928,221	$ 4,990,815	$ 19,919,036

CITY OF SANFORD, FLORIDA
Statement of Cash Flows
Non Major Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds		
	Mayfair Golf Course Fund	Marina Fund	Total Enterprise Funds
Cash flows from operating activities:			
Receipts from customers and users	$ 1,736,169	$ 896,984	$ 2,633,153
Receipts from interfund charges for risk management	-	-	-
Payments to suppliers	(808,523)	(952,369)	(1,760,892)
Payments to employees	-	(10,079)	(10,079)
Net cash provided by (used for) operating activities	927,646	(65,464)	862,182
Cash flows from noncapital financing activities:			
Transfers from other funds	7,421,593	1,794,311	9,215,904
Net cash provided by (used for) noncapital financing activities	7,421,593	1,794,311	9,215,904
Cash flows from capital and related financing activities:			
Principal paid on capital debt	(73,895)	-	(73,895)
Interest paid	(667)	-	(667)
Purchase of capital assets	(5,908,909)	(255,128)	(6,164,037)
Capital contributions and grants	-	5,980	5,980
Net cash used for capital and related financing activities	(5,983,471)	(249,148)	(6,232,619)
Cash flows from investing activities:			
Investment income earned on operating funds	158,041	-	158,041
Net cash provided by investing activities	158,041	-	158,041
Net increase in cash and cash equivalents	2,523,809	1,479,699	4,003,508
Cash and cash equivalents at beginning of year	6,895,234	2,355,351	9,250,585
Cash and cash equivalents at end of year	$ 9,419,043	$ 3,835,050	$ 13,254,093
Reconciliation to cash and pooled investments per Statement of Net Position:			
Cash	$ 889,531	$ 276,597	$ 1,166,128
Investments	8,529,512	3,529,741	12,059,253
Restricted investments, current	-	28,712	28,712
	$ 9,419,043	$ 3,835,050	$ 13,254,093

CITY OF SANFORD, FLORIDA
Statement of Cash Flows (Continued)
Non Major Proprietary Funds
For the Year Ended September 30, 2025

	Business-Type Activities - Enterprise Funds		
	Mayfair Golfcourse Fund	Marina Fund	Total Enterprise Funds
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	$ 6,385	$ (152,164)	$ (145,779)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation	136,981	147,455	284,436
Amortization	75,222	-	75,222
Changes in assets and liabilities:			
Accounts receivable	(129,715)	24,841	(104,874)
Due from other governments	-	(1,242)	(1,242)
Prepaids	-	(4,152)	(4,152)
Inventories	(21,813)	-	(21,813)
Customer deposits	-	10,577	10,577
Retainage payable	119,236	-	119,236
Accounts payable	740,603	(30,133)	710,470
Due to other funds	-	(60,000)	(60,000)
Due to other governments	745	(646)	99
Net cash provided by (used for) operating activities	$ 927,644	$ (65,464)	$ 862,180
Noncash investing, capital, and financing activities:			
Increase in fair value of investments	$ 35,991	$ -	$ 35,991
Change in capital-related A/P and Retainage	779,378	-	779,378

STATISTICAL SECTION (UNAUDITED):

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social data, economic data, and financial trends of the City of Sanford, Florida.

CITY OF SANFORD, FLORIDA
STATISTICAL SECTION CONTENTS
For The Year Ended September 30, 2025

The Statistical Section of the Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information indicates about the City's overall financial health. Below is a summary of the components and purpose for the tables provided herein.

	Pages
Financial Trends	
These schedules contain trend information to help the reader understand how the City's financial performance and financial position have changed over time.	134-139
Revenue Capacity	
These schedules contain information to help the reader assess the City's most significant local revenue source – property taxes.	140-143
Debt Capacity	
These schedules present information to help the reader access the affordability of the City's current levels of outstanding debt, the ability to issue additional debt in the future, and related historical trend data.	144-152
Demographic and Economic Information	
These schedules contain demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	153-155
Operating Information	
These schedules contain service levels and capital asset data to help the reader understand how the information in the City's financial report relate to the services the City provides to its citizens and visitors.	156-159

Schedule 1
CITY OF SANFORD, FLORIDA

NET POSITION BY COMPONENT
(accrual basis of accounting)

Last Ten Fiscal Years

	2016	2017	2018	2019
Governmental activities				
Net investment in capital assets	$ 108,240,437	$ 107,019,238	$ 115,080,348	$ 124,702,281
Restricted	11,433,666	12,778,199	17,692,591	20,690,716
Unrestricted	16,702,639	22,132,870	17,020,123	17,598,983
Total governmental activities net position	$ 136,376,742	$ 141,930,307	$ 149,793,062	$ 162,991,980
Business-type activities				
Net investment in capital assets	$ 118,789,153	$ 123,109,213	$ 125,624,478	$ 130,413,989
Restricted	6,672,392	8,270,058	10,757,914	12,632,963
Unrestricted	40,223,179	44,558,164	44,585,248	51,376,585
Total business-type activities net position	$ 165,684,724	$ 175,937,435	$ 180,967,640	$ 194,423,537
Primary government				
Net investment in capital assets	$ 227,029,590	$ 230,128,451	$ 240,704,826	$ 255,116,270
Restricted	18,106,058	21,048,257	28,450,505	33,323,679
Unrestricted	56,925,818	66,691,034	61,605,371	68,975,568
Total primary government net position	$ 302,061,466	$ 317,867,742	$ 330,760,702	$ 357,415,517

Note: Fiscal years prior to 2018 have not been restated due to GASB 75.
Fiscal years prior to 2023 have not been restated due to GASB 101.

2020	2021	2022	2023	2024	2025
$ 125,350,272	$ 127,123,740	$ 125,236,817	$ 118,583,305	$ 108,244,109	$ 123,078,384
20,716,585	25,770,562	28,828,132	39,769,431	37,405,250	37,187,287
17,531,867	29,100,643	34,220,837	34,371,253	51,053,382	42,646,060
$ 163,598,724	$ 181,994,945	$ 188,285,786	$ 192,723,989	$ 196,702,741	$ 202,911,731
$ 143,368,189	$ 154,658,860	$ 155,866,824	$ 168,548,625	$ 189,336,896	$ 210,927,272
12,068,097	18,592,671	12,321,743	11,660,523	12,860,658	11,623,072
58,372,594	61,599,427	82,952,364	92,011,479	101,179,034	116,630,270
$ 213,808,880	$ 234,850,958	$ 251,140,931	$ 272,220,627	$ 303,376,588	$ 339,180,614
$ 268,718,461	$ 281,782,600	$ 281,103,641	$ 287,131,930	$ 297,581,005	$ 334,005,656
32,784,682	44,363,233	41,149,875	51,429,954	50,265,908	48,810,359
75,904,461	90,700,070	117,173,201	126,382,732	152,232,416	159,276,330
$ 377,407,604	$ 416,845,903	$ 439,426,717	$ 464,944,616	$ 500,079,329	$ 542,092,345

Schedule 2
CITY OF SANFORD, FLORIDA

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	2016	2017	2018	2019
Expenses				
Governmental activities:				
General government	$ 6,259	$ 6,524	$ 7,611	$ 6,945
Public safety	25,129	21,357	27,719	30,265
Transportation	7,013	8,480	8,034	8,303
Physical environment	479	712	393	478
Economic environment	3,251	3,478	2,500	1,677
Human services	774	806	902	899
Culture and recreation	4,885	5,115	6,363	7,236
Interest on long-term debt	418	391	365	335
Total governmental activities expenses	48,208	46,863	53,887	56,138
Business-type activities:				
Water and sewer	20,920	19,886	20,869	21,656
Stormwater	2,679	2,636	2,605	2,887
Solid waste	5,594	5,722	5,998	6,132
Golf Course	1,265	1,278	1,320	1,456
Marina	-	-	-	-
Total business-type activities expenses	30,458	29,522	30,792	32,131
Total primary government expenses	78,666	76,385	84,679	88,269
Program revenues				
Governmental activities:				
Charges for services:				
General government	547	630	765	1,121
Public safety	3,389	4,015	6,203	4,867
Transportation	1	29	2	1
Physical environment	63	74	93	53
Economic environment	-	-	-	-
Culture and recreation	334	308	342	378
Operating grants and contributions	6,229	67,000	13,167	8,791
Capital grants and contributions	2,020	1,090	12,575	10,447
Total governmental activities program revenues	12,583	73,146	33,147	25,658
Business-type activities:				
Charges for services	35,270	37,676	36,272	39,348
Operating grants and contributions	-	-	423	131
Capital grants and contributions	1,411	1,855	3,419	490
Total business-type activities program revenues	36,681	39,531	40,114	39,969
Total primary government program revenues	49,264	112,677	73,261	65,627
Net (expense) / revenue				
Governmental activities	(35,625)	26,283	(20,740)	(30,480)
Business-type activities	6,223	10,009	9,322	7,838
Total primary government net expense	(29,402)	36,292	(11,418)	(22,642)

(Continued)

2020	2021	2022	2023	2024	2025
$ 7,673	$ 7,564	$ 11,437	$ 14,112	$ 14,887	$ 14,450
32,076	29,654	33,414	40,430	41,105	45,236
8,660	8,762	8,701	9,913	8,850	9,704
449	472	479	466	331	456
1,614	1,824	2,059	2,392	6,496	2,762
1,093	1,950	2,555	2,611	1,328	1,132
7,535	6,728	7,843	8,847	9,665	10,218
309	281	259	601	944	968
59,409	57,235	66,747	79,372	83,606	84,926
22,084	22,708	24,410	30,455	32,036	36,885
3,763	3,462	4,009	4,368	5,188	5,197
6,271	6,465	6,956	7,332	8,408	8,905
1,278	1,478	2,174	1,741	2,216	2,021
-	-	297	1,897	929	936
33,396	34,113	37,846	45,793	48,777	53,944
92,805	91,348	104,593	125,165	132,383	138,870
1,336	854	1,807	1,602	(18,157)	1,532
4,949	6,683	6,432	5,680	4,747	5,978
1	-	-	-	-	-
66	495	1,253	366	1,202	1,379
-	142	-	-	-	12
220	327	424	419	506	535
6,112	8,397	10,394	12,841	16,235	15,279
1,050	10,106	5,386	5,164	1,301	1,833
13,734	27,004	25,696	26,072	5,834	26,548
40,030	42,468	42,037	49,049	50,035	55,842
35	28	-	25	32	1,324
7,051	5,892	4,266	4,317	9,358	7,780
47,116	48,388	46,303	53,391	59,425	64,946
60,850	75,392	71,999	79,463	65,259	91,494
(45,675)	(30,231)	(41,051)	(53,300)	(77,772)	(58,378)
13,720	14,275	8,457	7,598	10,648	11,002
(31,955)	(15,956)	(32,594)	(45,702)	(67,124)	(47,376)

Schedule 2
CITY OF SANFORD, FLORIDA

CHANGES IN NET POSITION
(accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

(Continued)

	2016	2017	2018	2019
General revenues and other changes in net position				
Governmental activities:				
Property tax	$ 19,107	$ 19,955	$ 20,991	$ 22,632
Other taxes	18,586	19,053	19,790	19,795
Unrestricted investment earnings	432	267	507	1,772
Gain on sale of capital assets	-	-	-	-
Miscellaneous	39	112	3,587	592
Transfers in (out)	(23)	184	(208)	(1,111)
Total governmental activities	38,141	39,571	44,667	43,680
Business-type activities:				
Unrestricted investment earnings	350	294	513	1,982
Capital recovery fee	-	-	-	2,401
Miscellaneous	692	133	153	124
Transfers in (out)	23	(184)	208	1,111
Total business-type activities	1,065	243	874	5,618
Total primary government	39,206	39,814	45,541	49,298
Change in net position				
Governmental activities	4,124	39,571	23,927	13,200
Business-type activities	11,074	243	10,196	13,456
Total government	$ 15,198	$ 39,814	$ 34,123	$ 26,656

Note: Fiscal years prior to 2018 have not been restated due to GASB 75.

2020	2021	2022	2023	2024	2025
$ 24,990	$ 27,217	$ 29,278	$ 33,945	$ 39,027	$ 43,509
19,572	21,041	17,660	25,584	25,875	26,696
1,883	108	(1,628)	3,791	7,793	5,537
-	-	-	-	-	-
300	321	157	221	654	143
(465)	(60)	(4,023)	(5,803)	(9,266)	(12,061)
46,280	48,627	41,444	57,738	64,083	63,824
1,742	143	(2,079)	3,614	7,164	4,688
2,586	6,098	6,098	3,801	3,801	4,606
871	466	531	264	283	3,535
465	60	4,023	5,803	9,266	12,061
5,664	6,767	8,573	13,482	20,514	24,890
51,944	55,394	50,017	71,220	84,597	88,714
605	18,396	393	4,438	(13,689)	5,446
19,384	21,042	17,030	21,080	31,162	35,892
$ 19,989	$ 39,438	$ 17,423	$ 25,518	$ 17,473	$ 41,338

Schedule 3
CITY OF SANFORD, FLORIDA

FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

LAST TEN FISCAL YEARS
(dollar amounts expressed in thousands)

	2016	2017	2018	2019
General fund				
Nonspendable	$ 358	$ 435	$ 511	$ 441
Restricted	-	-	-	-
Assigned	380	209	344	614
Unassigned	19,597	21,600	23,821	25,291
Total general fund	$ 20,335	$ 22,244	$ 24,676	$ 26,346
All other governmental funds				
Nonspendable	$ 1	$ 20	$ 20	$ 176
Restricted	11,715	13,268	18,152	20,691
Committed	312	289	167	1,579
Assigned	4,820	4,527	10,211	10,532
Unassigned	(113)	(69)	488	(4,271)
Total all other government funds	$ 16,735	$ 18,035	$ 29,038	$ 28,707

2020	2021	2022	2023	2024	2025
$ 403	$ 381	$ 310	$ 332	$ 509	$ 414
-	-	-	-	-	-
325	726	1,528	2,183	2,886	3,714
28,003	33,281	37,701	44,212	43,137	39,599
$ 28,731	$ 34,388	$ 39,539	$ 46,727	$ 46,532	$ 43,727
$ 202	$ 645	$ 794	$ 102	$ 102	$ 125
20,717	25,771	28,828	34,128	32,249	37,187
1,554	3,045	168	5,866	5,927	338
1,384	11,064	11,041	26,473	26,473	34,265
5,964	(354)	(321)	(64)	(64)	(29)
$ 29,821	$ 40,171	$ 40,510	$ 66,505	$ 64,687	$ 71,886

Schedule 4
CITY OF SANFORD, FLORIDA

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Last Ten Fiscal Years
(dollar amounts expressed in thousands)

	2016	2017	2018	2019	2020	2021
Revenues						
Taxes	$ 31,279	$ 32,292	$ 34,439	$ 36,268	$ 38,481	$ 41,264
Licenses and permits	1,917	2,361	3,217	2,494	1,905	3,708
Intergovernmental revenues	15,051	13,897	19,010	21,863	14,769	26,866
Charges for services	2,465	2,723	3,411	2,658	3,043	3,946
Fines and forfeitures	218	269	285	231	413	374
Impact fees	236	496	1,424	672	453	1,289
Interest earnings	443	339	635	2,120	2,201	132
Miscellaneous revenues	171	233	3,692	677	385	602
Total revenues	51,780	52,610	66,113	66,983	61,650	78,181
Expenditures						
Current:						
General government	5,527	5,582	7,135	6,481	6,935	7,427
Public safety	23,393	24,715	26,539	27,822	29,395	29,850
Transportation	2,223	3,693	488	451	408	466
Physical environment	504	448	2,985	3,076	3,088	3,213
Economic environment	2,150	2,206	2,262	1,447	1,298	1,595
Human services	747	790	877	891	1,092	1,944
Culture and recreation	4,541	4,883	5,057	6,030	6,265	5,723
Debt service:						
Principal	1,435	1,363	1,301	1,299	1,178	1,301
Interest and fiscal charges	418	391	365	335	309	281
Capital outlay	5,356	6,035	6,079	17,339	8,431	10,885
Total Expenditures	46,294	50,106	53,088	65,171	58,399	62,685
Excess (deficiency) of revenues over (under) expenditures	5,486	2,504	13,025	1,812	3,251	15,496
Other Financing Sources (Uses)						
Financed purchase agreements	551	489	301	185	481	745
Leases	-	-	-	-	-	-
SBITAs	-	-	-	-	-	-
Transfers in	4,573	4,262	4,573	6,823	17,214	20,661
Transfers (out)	(4,514)	(4,078)	(4,777)	(7,934)	(17,679)	(21,125)
Proceeds from sale of property	285	302	312	453	231	277
Payment to escrow for refunding debt	-	-	-	-	-	-
Bond issuance		-	-	-	-	-
Premium on bonds		-	-	-	-	-
Total other financing sources (uses)	895	975	409	(473)	247	558
Net change in fund balances	$ 6,381	$ 3,479	$ 13,434	$ 1,339	$ 3,498	$ 16,054
Debt service as a percentage of noncapital expenditures	4.53%	3.98%	3.54%	3.42%	2.98%	3.05%

2022	2023	2024	2025
$ 44,599	$ 51,167	$ 56,890	$ 62,157
2,663	1,679	1,178	2,165
20,558	29,910	23,653	23,459
5,806	4,642	4,835	5,772
305	310	346	399
1,180	498	773	1,402
(2,025)	4,407	8,959	6,057
294	328	760	271
73,380	92,941	97,394	101,682
7,905	10,041	14,323	10,656
31,397	35,316	40,812	43,462
515	488	335	573
3,194	4,320	5,377	6,431
1,694	2,266	2,338	2,508
2,603	2,589	1,325	1,136
6,164	7,683	8,551	9,205
1,533	1,541	1,864	1,954
257	599	943	963
10,522	5,361	11,751	14,861
65,784	70,204	87,619	91,749
7,596	22,737	9,775	9,933
824	947	1,109	-
574	-	566	405
-	1,306	1,498	145
13,005	9,958	16,123	13,017
(17,124)	(15,761)	(25,379)	(25,078)
615	61	168	99
-	(6,270)	-	-
-	19,180	-	-
-	1,026	-	-
(2,106)	10,447	(5,915)	(11,412)
$ 5,490	$ 33,184	$ 3,860	$ (1,479)
3.24%	3.30%	3.70%	3.79%

Schedule 5
CITY OF SANFORD, FLORIDA

ASSESSED AND ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years
(dollar amounts are expressed in thousands)

Fiscal Year	Assessed Values			Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
	Real Property	Personal Property	Total					
2016	$ 3,474,534	$ 404,224	$ 3,878,758	$ (775,062)	$ 3,103,696	7.325	$ 2,630,757	84.76%
2017	3,637,149	400,372	4,037,521	(798,181)	3,239,340	7.325	2,757,920	85.14%
2018	3,826,960	406,633	4,233,593	(847,728)	3,385,865	7.325	2,896,239	85.54%
2019	4,224,120	445,986	4,670,106	(994,620)	3,675,486	7.325	3,149,865	85.70%
2020	4,700,758	449,479	5,150,237	(1,110,040)	4,040,197	7.325	3,452,772	85.46%
2021	5,047,701	459,224	5,506,925	(1,159,429)	4,347,496	7.325	3,743,885	86.12%
2022	5,547,236	465,819	6,013,055	(1,300,468)	4,712,587	7.325	4,079,142	86.56%
2023	6,828,455	539,024	7,367,479	(1,976,511)	5,390,968	7.325	4,693,429	87.06%
2024	7,779,639	640,227	8,419,866	(2,344,005)	6,075,861	7.325	5,389,783	88.71%
2025	8,696,345	638,385	9,334,730	(2,481,124)	6,853,606	7.325	6,040,475	88.14%

Source: Seminole County Property Appraiser

Note: Property is reassessed each year by the Seminole County Property Appraiser.
Tax rates are per $1,000 of assesseed valuation.

Schedule 6
CITY OF SANFORD, FLORIDA

DIRECT AND OVERLAPPING PROPERTY TAX RATES*

Last Ten Fiscal Years
(Per $1,000 of Assessed Taxable Value)

Fiscal Year	City of Sanford, Florida	Seminole County		St. Johns River Water Mgmt. Dist.	Total
		Operating millage	School Board		
2016	7.325	4.875	7.849	0.302	20.351
2017	7.325	4.875	7.557	0.289	20.046
2018	7.325	4.875	6.569	0.272	19.041
2019	7.325	4.875	6.313	0.256	18.769
2020	7.325	4.875	6.133	0.241	18.574
2021	7.325	4.875	5.934	0.229	18.363
2022	7.325	4.875	5.825	0.219	18.244
2023	7.325	4.875	5.460	0.197	17.857
2024	7.325	4.875	5.378	0.179	17.757
2025	7.325	4.875	5.279	0.179	17.658

*Operating millage only source unless otherwise presented.

Source: Seminole County Property Appraiser.

Schedule 7
CITY OF SANFORD, FLORIDA

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	Fiscal Year 2025			Fiscal Year 2016		
Taxpayer Name	**Taxable Value**	**Percent of Total Taxable Value**	**Rank**	**Taxable Value**	**Percent of Total Taxable Value**	**Rank**
Florida Power & Light Co	$ 114,893,032	1.90%	1	$ 49,899,055	2.18%	2
CRLP Twin Lakes LLC	71,075,542	1.18%	2	34,090,340	1.49%	7
BGO Sanford Logistics Owner LLC	70,235,159	1.16%	3			
Solstice Loop Holdings LLC	65,712,264	1.09%	4	39,517,630	1.73%	3
Lake Edge Apartments LLC	65,413,570	1.08%	5	35,064,679	1.53%	5
Vintage Sanford Owner LLC	63,928,882	1.06%	6			
Railside Loop Owner LLC	62,265,949	1.03%	7			
Solara Holding LLC	61,024,374	1.01%	8	34,485,709	1.51%	6
Bre Piper MF Westlake FL LLC	52,346,828	0.87%	9	29,075,644	1.27%	10
CTO Realty Growth Inc	50,213,987	0.83%	10			
Wal-Mart Stores East LP				31,275,824	1.37%	9
Seminole Mall Realty Holding LLC				67,602,702	2.95%	1
Central Florida Regional Hospital				36,541,779	1.60%	4
WRI Seminole II LLC				33,701,460	1.47%	8

Source: Seminole County Property Appraiser - 2024 Top Ten Taxpayer for Sanford and City of Sanford FY 2016 ACFR

Schedule 8
CITY OF SANFORD, FLORIDA

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Percent of Levy Collected	Delinquent Tax Collections (3)	Total Tax Collections	Total Collections as a Percent of Current Levy
2016	$ 18,594,286	$ 17,946,522	96.5%	$ 17,510	$ 17,964,032	96.6%
2017	18,561,128	18,739,174	101.0%	29,006	18,768,180	101.1%
2018	20,474,478	19,741,400	96.4%	11,956	19,753,356	96.5%
2019	22,260,587	21,234,990	95.4%	59,244	21,294,234	95.7%
2020	24,436,137	22,401,004	91.7%	31,916	22,432,920	91.8%
2021	26,600,140	25,706,262	96.6%	43,452	25,749,714	96.8%
2022	28,928,335	27,658,623	95.6%	16,208	27,674,831	95.7%
2023	33,229,425	32,090,477	96.6%	19,471	32,109,948	96.6%
2024	38,179,010	36,794,280	96.4%	12,829	36,807,109	96.4%
2025	42,812,120	40,186,272	93.9%	914,131	41,100,403	96.0%

Source: (1) Includes general fund 001-0000-311.10-00
(2) Includes general fund 001-0000-311.20-00

Note: Years 2016-2018 and 2020-2021 have been corrected to reflect correct information via the Seminole County Property Appraisers office.

Schedule 9
CITY OF SANFORD, FLORIDA

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

	Governmental-type Activities				Business-type Activities		
Fiscal Year	Public Safety Complex Revenue Bonds	SBITA's	Leases	Financed Purchase Agreements	Utility System Revenue Notes	State Revolving Fund Loans	Leases
2016	$ 11,445,000	$ -	$ -	$ 1,057,538	$ 11,165,000	$ 49,356,037	$ -
2017	10,650,000	-	-	978,584	9,280,000	52,654,250	-
2018	9,830,000	-	-	798,657	7,325,000	56,344,418	-
2019	8,980,000	-	-	534,157	5,295,000	55,363,430	-
2020	8,105,000	-	-	712,913	3,190,000	53,887,473	-
2021	7,200,000	-	-	1,061,921	1,005,000	51,678,075	-
2022	6,270,000	-	391,793	1,464,610	-	51,979,240	220,515
2023	19,055,000	-	183,619	1,700,019	-	50,223,222	145,668
2024	19,423,814	1,771,419	487,254	2,059,851	-	49,224,473	73,895
2025	18,922,860	1,408,015	579,150	1,408,015	-	51,514,327	37,831

Sources: Population data is not shown but used in calculation of personal income. Personal income is population x Sanford per capita income - from BEBR and US Dept of Commerce.
Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Debt limitation: There are no legal debt limits for Florida municipalities.

Total Primary Government	Sanford Personal Income	Percentage of Personal Income	Per Capita
$ 73,023,575	$ 2,211,604,736	3.3%	$ 1,241
73,562,834	2,585,576,817	2.8%	1,230
74,298,075	2,727,351,614	2.7%	1,276
70,172,587	2,954,858,907	2.4%	1,272
65,895,386	3,114,028,357	2.1%	1,259
60,944,996	3,313,015,314	1.8%	1,165
60,326,158	3,326,890,208	1.8%	965
71,307,528	4,008,728,842	1.8%	1,058
73,040,706	4,264,203,188	1.7%	1,075
73,870,198	3,936,489,264	1.9%	1,084

Schedule 10
CITY OF SANFORD, FLORIDA

PLEDGED REVENUE COVERAGE

Last Ten Fiscal Years

Proprietary Funds

Water and Sewer Revenue Bonds

Fiscal Year	Gross Revenues (1), (5)	Water System Development Charges (7)	Operating Expenses (2)	Net Available For Debt Service	Debt Service Requirements (3) Principal	Debt Service Requirements (3) Interest	Coverage
2016	$ 24,522,417	$ 833,080	$ 14,791,336	$ 10,564,161	$ 1,810,000	$ 501,945	4.57
2017	25,925,613	1,262,084	16,475,549	10,712,148	1,885,000	431,891	4.62
2018	24,069,532	3,216,696	16,139,681	11,146,547	1,955,000	416,745	4.70
2019	27,656,617	2,400,876	16,401,102	13,656,391	2,030,000	344,534	5.75
2020	27,726,796	2,586,030	16,054,248	14,258,578	2,105,000	249,052	6.06
2021	28,547,726	6,097,812	16,049,191	18,596,347	2,185,000	150,043	7.96
2022	26,244,497	5,358,518	18,293,123	13,309,894	1,005,000	47,271	12.65
2023	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-
2025	-	-	-	-	-	-	-

Water and Sewer State Revolving Loans

Fiscal Year	Gross Revenues (1)	Less: Operating Expenses (2)*	Net Available For Debt Service	Debt Service Requirements (4) Principal	Debt Service Requirements (4) Interest	Coverage
2016	$ 24,522,417	17,103,281	$ 7,419,136	$ 2,300,903	$ 575,379	2.58
2017	25,925,613	18,792,440	7,133,173	2,332,799	794,761	2.28
2018	24,069,532	18,511,426	5,558,106	3,414,129	458,891	1.44
2019	27,656,617	18,775,636	8,880,981	3,385,491	910,300	2.07
2020	27,726,796	18,408,300	9,318,496	3,262,030	862,914	2.26
2021	28,547,726	18,384,234	10,163,492	3,877,793	835,495	2.16
2022	26,244,497	19,345,392	6,899,195	3,999,959	752,720	1.45
2023	35,379,260	24,888,158	10,491,102	3,714,124	711,302	2.37
2024	38,119,606	25,691,986	12,427,620	3,421,060	632,562	3.07
2025	45,201,458	30,360,863	14,840,595	3,059,254	933,463	3.72

General Government

Sales Tax Note

Fiscal Year	Half-Cent Sales Tax	Debt Service Requirements (4) Principal	Debt Service Requirements (4) Interest	Coverage
2016	$ 3,714,761	$ 770,000	$ 396,988	3.18
2017	3,860,271	795,000	371,963	3.31
2018	4,048,497	820,000	346,125	3.47
2019	3,716,479	850,000	319,475	3.18
2020	3,857,320	875,000	291,850	3.31
2021	4,350,235	905,000	263,413	3.72
2022	4,949,079	930,000	234,000	4.25
2023	4,965,126	6,270,000	181,569	0.77
2024	-	-	-	-
2025	-	-	-	-

2023 Construction Bonds

Fiscal Year	Non Ad Valorem Revenue	Debt Service Requirements (4) Principal	Debt Service Requirements (4) Interest	Coverage (6)
2016	$ -	$ -	$ -	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	33,815,278	125,000	357,083	70.14
2024	38,260,748	315,000	850,750	32.82
2025	38,180,850	330,000	850,750	32.34

Proprietary Funds

Stormwater Revenue Bonds

Stormwater Revenues	Less: Operating Expenses (2)	Net Available For Debt Service	Debt Service Requirements (4) Principal	Debt Service Requirements (4) Interest	Coverage
$ -	$ -	$ -	$ -	$ -	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-

Stormwater State Revolving Loans

Stormwater Revenues	Less: Operating Expenses (2)*	Net Available For Debt Service	Debt Service Requirements (4) Principal	Debt Service Requirements (4) Interest	Coverage
$ 5,121,169	$ 1,746,804	$ 3,374,365	$ 353,171	$ 148,494	6.73
5,451,109	1,760,504	3,690,605	353,171	148,494	7.36
5,647,313	1,863,116	3,784,197	531,716	155,325	5.51
5,784,842	1,875,154	3,909,688	388,885	140,029	7.39
5,881,675	2,153,194	3,728,481	554,555	273,004	4.50
6,113,297	1,829,048	4,284,249	536,102	269,002	5.32
5,806,916	2,192,453	3,614,463	647,064	157,913	4.49
5,996,832	2,884,196	3,112,636	661,306	143,597	3.87
7,942,161	3,152,498	4,789,663	691,129	113,867	5.95
6,188,994	3,244,477	2,944,517	706,157	98,458	3.66

(1) Gross revenues from water and sewer charges for services, plus interest income and service charges.
(2) Total operating expenses exclusive of depreciation, amortization of intangibles and non-recurring costs.
(3) Includes principal and interest of revenue bonds only. Does not include debt defeasance transactions.
(4) Includes principal and interest only.
(5) Does not include pledged public service taxes which are allowable revenues to meet extended covenant requirements.
(6) There is no provision in bonds for covenant coverage.
(7) No more than 14.00% of debt service can be paid from Water System Development Charges and no more than 30.30% of debt service can be paid from Sewer System Development Charges.

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City of Sanford Finance Department.

Schedule 11
CITY OF SANFORD, FLORIDA

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
September 30, 2025

Jurisdiction	Total Debt Outstanding	Percentage Applicable to City of Sanford	Amount Applicable to City of Sanford
Governmental unit			
General obligation debt			
Seminole County Government	$ -	11.8%	$ -
Seminole County School Board	-	13.0%	-
Other debt			
Seminole County Government			
Revenue bonds	45,374,000	11.8%	5,372,383
Seminole County School Board			
State education bonds	1,850,776	13.0%	240,081
Certificates of participation	58,321,250	13.0%	7,565,367
Subtotal, overlapping debt			13,177,830
City direct debt			22,167,294
Total direct and overlapping debt			$ 35,345,124

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Sanford, Florida. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident – and therefore responsible for repaying the debt – of each overlapping government.

Percentage applicable for overlapping debt is based on City's total taxable value as a percentage of Seminole County's total assessed value.

Sources: Seminole County Finance Department - the information provided is based on the 9/30/2025 ACFR.
Seminole County School Board - the information provided is based on the 6/30/2025 ACFR
Seminole County Property Appraiser - the information provided is based on the 10/01/2024 Ad Valorem Assessment Roll

Schedule 12
CITY OF SANFORD, FLORIDA

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	Public School Enrollment (3)	Unemployment Rate (4)
2016	57,248	$ 38,632	$ 2,211,604,736	13,724	4.3%
2017	57,839	44,703	2,585,576,817	14,003	3.0%
2018	58,994	46,231	2,727,351,614	16,629	2.9%
2019	60,243	49,049	2,954,858,907	15,264	2.6%
2020	61,051	51,007	3,114,028,357	16,560	6.5%
2021	62,038	53,403	3,313,015,314	17,857	4.4%
2022	63,172	52,664	3,326,890,208	20,289	2.7%
2023	67,282	59,581	4,008,728,842	15,373	2.6%
2024	67,897	62,804	4,264,203,188	15,531	3.3%
2025	68,136	57,774	3,936,489,264	15,019	4.3%

Source: (1) Office of Economic and Demographic Research
Florida Population Estimates for Counties and Municipalities - April 1, 2025
Bureau of Economic and Business Research (BEBR) @ the University of Florida

(2) U.S. Department of Commerce, Bureau of Economic Analysis

(3) Seminole County School Board - end of school year
prekindergarten thru 12th grade enrollments.

(4) United States Department of Labor, Bureau of Labor Statistics
Local Area Unemployment Statistics Map - Seminole County

Schedule 13
CITY OF SANFORD, FLORIDA

PRINCIPAL EMPLOYERS

Current Year and Nine Years Ago

	Fiscal Year 2024/2025		Fiscal Year 2015/2016	
Employer	**Employees**	**Rank**	**Employees**	**Rank**
Seminole County Government***	1,623	1	1,581	3
Seminole State College	1,525	2	1,746	1
Seminole County Public Schools**	1,353	3	1,642	2
Seminole County Sheriff******	1,331	4	1,230	4
Orlando Sanford International Airport****	1,120	5	480	8
HCA Florida Lake Monroe Hospital	1,084	6	1,052	5
Walmart Stores - Sanford	748	7	822	6
City of Sanford	606	8	481	7
Waste Pro	268	9	N/A	N/A
CPH Engineers	161	10	N/A	N/A
Total	9,819		9,034	

* Data not available
** SCPS Sanford Elementary, Middle, High Schools and the Education Support Center
***Seminole County Government - FY 2021 ACFR Countywide FTEs
**** Sanford Airport Authority (full and part-time), TBI, HMS, Alpha, Hudson, SSP, Avis/Budget, Dollar/Thrifty, Alamo/Enterprise, Hertz, Canteen Vending, Smart Carte, Advantage
***** Seminole County Sheriff FY 2022 Annual Report
Source: Informal survey and research conducted by City of Sanford Finance Department

Schedule 14
CITY OF SANFORD, FLORIDA

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government:										
City Manager	9.33	7.15	8.73	8.74	10.55	11.40	11.40	12.40	12.40	12.90
Community Improvement	9.00	9.00	9.00	9.50	18.85	18.50	19.50	22.25	22.25	21.14
City Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	4.00	4.00	4.00	4.00	4.00	4.00	4.50	4.50	5.00	5.00
Finance/IT	17.47	18.47	17.47	17.47	17.47	17.47	18.47	22.47	22.47	27.47
Planning/Development	8.00	8.00	9.00	9.15	9.15	9.50	10.50	11.75	11.75	14.36
CRA	-	-	-	-	3.78	3.78	3.78	3.78	3.78	3.78
Public Safety:										
Police	149.95	149.95	149.95	152.95	157.95	157.95	161.95	163.95	163.95	172.95
Fire	80.87	82.15	94.37	95.71	86.05	86.05	86.05	98.05	98.05	107.05
Public Works	84.25	82.35	81.90	73.75	55.00	55.00	55.00	57.00	57.00	60.70
Utilities	103.50	105.50	108.73	109.13	107.35	109.85	109.85	111.35	111.65	114.65
Recreation	33.30	32.80	32.80	40.55	61.30	67.30	68.30	70.80	70.80	73.95
Total	502.67	502.37	518.95	523.95	534.45	543.80	552.30	581.30	582.10	616.95

Source: City of Sanford Budgets 2016-2025
City of Sanford Financial Services Department

Schedule 15
CITY OF SANFORD, FLORIDA

OPERATING INDICATORS BY FUNCTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019
Building Inspections				
All permits issued**	3,614	4,409	6,113	4,409
Building permits issued**	2,058	2,565	6,113	4,409
Inspections completed**	8,592	9,835	20,613	12,301
Re-inspections completed**	1,537	1,587	3,460	3,114
Law Enforcement				
Physical arrests	3,041	3,926	2,704	3,579
DUI arrests	65	60	34	49
Traffic violations	16,358	10,663	21,554	7,702
Traffic crashes	4,539	1,930	2,091	1,770
Total calls received by agency	127,543	122,610	150,225	133,416
Dispatched calls requiring police service (based on calendar year figures)	92,583	75,826	120,022	78,163
Fire				
Emergency responses	10,516	10,021	10,746	10,739
Number of actual fires suppressed	242	255	198	188
Number of commercial building inspections	2,145	1,996	1,449	1,460
Number of school inspections***	25	27	26	26
Number of investigations	30	30	30	29
Planning & Engineering				
Paved streets (miles)	160.64	160.64	160.64	160.64
Unpaved streets (miles)	0.38	0.38	0.38	0.38
Public Works				
Street resurfacing (miles)	13.70	20.95	12.13	10.11
Other street repairs (# of potholes, etc.)	200	89	105	141

* Data not available
** Data corrected for previous years.
*** includes daycares only - no longer inspect schools
Note: Indicators are not available for the general government function.

Source: Various City Departments

2020	2021	2022	2023	2024	2025
4,986	4,699	5,758	5,452	5,193	6,087
4,986	4,699	5,758	2,789	5,193	6,087
14,749	21,292	19,085	17,756	16,555	17,875
3,036	3,940	4,073	5,006	4,870	3,255
3,143	2,045	2,273	1,904	2,061	2,221
39	37	38	54	124	81
11,086	16,175	11,343	9,288	13,547	13,155
1,810	2,302	2,276	2,234	2,199	2,177
83,664	120,185	117,715	108,590	129,582	122,001
118,789	89,023	85,018	74,128	84,026	95,118
11,041	12,630	13,395	14,429	13,570	23,833
188	165	161	56	67	99
1,324	1,665	1,413	1,392	2,645	2,659
26	26	32	34	42	43
41	35	45	49	38	23
160.64	160.64	163.96	164.00	171.00	172.65
0.38	0.38	0.38	0.04	-	0.53
14.65	14.65	10.30	12.40	14.80	20.33
110	110	-	158	88	70

Schedule 16
CITY OF SANFORD, FLORIDA

CAPITAL ASSET STATISTICS BY FUNTION/PROGRAM

Last Ten Fiscal Years

	2016	2017	2018	2019
Transportation				
Miles of streets	161.02	161.02	161.02	161.02
Public Safety				
Number of Fire Stations	3	3	3	3
Number of Firefighters and Officers	75	74	75	75
Number of Police Stations*	1	1	1	1
Number of Sworn Officers	124	132	132	135
Municipal Water System				
Number of Customers	16,065	16,226	16,710	17,169
Average Daily Consumption	6.424 MGD	5.959 MGD	6.193 MGD	6.435 MGD
Plant Capacity - All Plants	14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD
Deep Wells	17	19	19	19
Number of Fire Hydrants	1,418	1,464	1,475	1,475
Municipal Sewer System				
Number of Customers	15,012	15,162	15,633	16,074
Treatment Facility Capacity	10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD
Annual Average Flow	6.263 MGD	6.329 MGD	6.330 MGD	6.330 MGD
Municipal Stormwater System				
Number of Customers	14,743	14,882	15,390	15,702
Building Permits Issued**	2,058	2,565	6,113	4,409
Recreation & Culture				
Number of Regional Parks	4	4	4	4
Number of Neighborhood Parks	25	25	25	25
Park Area - number of acres	117	117	117	117
Number of Museums	1	1	1	1
Number of Books	3,630	3,680	3,680	3,680

* # of police stations include: (1) Public Safety Complex, previous remote location offices
** Data corrected for previous years.

Source: Various City Departments

2020	2021	2022	2023	2024	2025
161.02	161.02	161.02	164.00	171.00	172.65
3	3	3	3	3	3
75	79	79	84	87	104
1	1	1	1	1	1
140	140	145	145	145	148
16,710	17,553	18,743	19,119	19,793	20,414
6.193 MGD	7.00 MGD	7.57 MGD	8.00 MGD	8.08 MGD	8.04 MGD
14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD	14.688 MGD
19	17	16	16	16	16
1,475	1,578	1,611	1,637	1,666	1,698
15,633	16,215	17,307	17,649	18,582	19,168
10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD	10.3 MGD	17.45 MGD
6.330 MGD	7.575 MGD	7.575 MGD	10.3 MGD	7.43 MGD	6.40 MGD
16,758	16,068	16,363	17,649	17,108	17,525
4,986	4,699	6,287	2,789	5,193	6,087
4	4	4	4	4	4
25	25	25	25	25	25
117	117	117	117	117	117
1	1	1	1	1	1
3,680	2,576	2,580	2,590	2,590	2,183



CITY OF
SANFORD
FLORIDA

COMPLIANCE SECTION:

This section contains the following subsections:

- REPORT OF INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* - INDEPENDENT AUDITORS'
- REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE - INDEPENDENT AUDITORS'
- SCHEDULE OF FINDINGS AND QUESTIONED COSTS
- SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
- NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
- INDEPENDENT ACCOUNTANT'S REPORT
- INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Independent Auditor's Report

Honorable Mayor and Members of the City Commission
City of Sanford, 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sanford (the "City"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise City's basic financial statements, and have issued our report thereon dated April 30, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

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Report on Compliance and Other Matters

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

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Forvis Mazars, LLP

Orlando, Florida
April 30, 2026

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Report on Compliance for Each Major Federal Program and Major State Project and Report on Internal Control Over Compliance

Independent Auditor's Report

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

Report on Compliance for Each Major Federal Program and the Major State Project

Opinion on Each Major Federal Program and the State Project

We have audited the City of Sanford, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs and major state project for the year ended September 30, 2025. The City's major federal programs and major state project are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state project for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and the Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General.* Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General,* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program or major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

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

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

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

Forvis Mazars, LLP

Orlando, Florida
April 30, 2026

Section I – Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

Internal control over financial reporting:

Material weakness(es) identified?	☐ Yes	☒ No
Significant deficiency(ies) identified?	☐ Yes	☒ None reported

Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards and State Financial Assistance

Internal control over major federal programs and the major state project:

Material weakness(es) identified?	☐ Yes	☒ No
Significant deficiency(ies) identified?	☐ Yes	☒ None reported

Type of auditor's report issued on compliance for major federal programs and the major state project:

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) of the Uniform Guidance or Chapter 10.557, *Rules of the Auditor General*? ☐ Yes ☒ No

Identification of major federal programs and the major state project:

Assistance Listing Number(s)	Name of Federal Program or Cluster
93.568	Low-Income Home Energy Assistance Program
66.468	Drinking Water State Revolving Fund
CSFA Number(s)	**Name of State Project**
37.039	Statewide Water Quality Restoration Projects

Dollar threshold used to distinguish between Type A and Type B programs:

Federal: $1,000,000
State: $503,470

Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award and State Financial Assistance Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

City of Sanford, Florida
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2025

Reference Number	Summary of Finding	Status
	No matters are reportable.	

City of Sanford Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2025

Federal Grantor/Pass-Through Grantor Program Title	Federal Assistance Listing Number	Pass Through Entity Identifying Number	Total Federal Expenditures
U.S. Department of Housing and Urban Development			
Community Development Block Grant	14.218	B-11-MN-12-0035	$ 3,283
Community Development Block Grant	14.218	B-21-MC-12-0057	59,333
Community Development Block Grant	14.218	B-22-MC-12-0057	76,154
Community Development Block Grant	14.218	B-23-MC-12-0057	213,507
Community Development Block Grant	14.218	B-24-MC-12-0057	471,791
Total Department of Housing and Urban Development			**824,068**
U.S. Department of Commerce			
Economic Adjustment Assistance	11.307	ED24ATLOG0128	148,865
Total Department of Commerce			**148,865**
U.S. Department of Justice			
DEA Officer Reimbursement	16.580	DEA Orlando	10,247
Bulletproof Vest	16.607	25BPV	16,398
Equitable Sharing	16.922	FL0590500	66,335
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-24-GG-04994-JAGX	3,358
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-02972-MUMU	17,250
Public Safety Partnership and Community Policing	16.710	15JCOPS-22-GG-04795-PPSE	103,203
Public Safety Partnership and Community Policing	16.710	15JCOPS-24-GG-03561-UHPX	32,550
Total Department of Justice			**249,341**
Office of National Drug Control Poicy			
Passed through Seminole County Sheriff's Office			
High Intensity Drug Trafficking Areas Program	95.001	G21CF008A	8,503
Total Office of National Drug Control Policy			**8,503**
U.S. Department of Health and Human Services			
Passed through Florida Department of Economic Opportunity			
LIHEAP Low Income Home Energy Assistance Program (2023)	93.568	17EA-OF-06-69-02-028	1,005,397
LIHEAP Low Income Home Energy Assistance Program (2025)	93.568	17EA-OF-06-69-02-028	3,391
Total Department of Health and Human Services			**1,008,788**
U.S. Department of Homeland Security			
Passed through Florida Department of Emergency Management			
Disaster Grants - Public Assistance (Presidentailly Declared Disasters)	97.036	FEMA-4834-DR-FL-PA-06-69-01-074	538,277
Disaster Grants - Public Assistance (Presidentailly Declared Disasters)	97.036	FEMA-4834-DR-FL-PA-06-69-01-157	322,585
Total Department of Homeland Security			**860,862**
U.S. Department of Interior			
Passed through Florida Division of US Fish & Wildlife Service			
Clean Vessel Act	15.616	MV487	5,982
Total Department of Treasury			**5,982**
U.S. Department of Treasury			
Passed through Florida Department of Emergency Management			
COVID19 - American Rescue plan Coronavirus Local Fiscal Recovery Fund	21.027	1505-0271	2,845,047
Passed through Florida Department of Environmental Protection			
COVID19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	WG101	24,485
Total Department of Treasury			**2,869,532**
U.S. Environmental Protection Agency			
Passed through Florida Department of Environmental Protection			
State Revolving Fund Loan	66.468	DW590192	5,973,486
State Revolving Fund Loan	66.468	DW590160	372,399
Total Department of Environmental Protection			**6,345,885**
		Total Expenditure of Federal Awards	**$ 12,321,826**

The Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

City of Sanford Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance (continued)
Year Ended September 30, 2025

State Grantor/Pass-Through Grantor Program Title	CSFA Number	Grant Number / Pass Through Grantor's Number	Reimbursable Expenditures
Florida Department of Environmental Protection			
Statewide Water Quality Restoration Project - L1732A	37.039	LPA0554	$ 1,457,541
Small Community Wastewater Facility Grant	37.075	SG080	76,065
The Local Trail Management Grant	37.039	TG007	137,919
The Local Trail Management Grant	37.039	TG001	6,709
Total Department of Environmental Protection			**1,678,234**
		Total Expenditures of State Financial Assistance	**$ 1,678,234**
		Total Expenditures of Federal Awards and State Financial Assistance	**$ 14,000,060**

The Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

City of Sanford, Florida
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the Year Ended September 30, 2025

Note 1 – Reporting Entity

For reporting entity purposes, the Schedule of Expenditures of Federal Awards and State Financial Assistance include only the activities of the City of Sanford's primary government and not the Airport Authority which is presented as a discretely presented component unit.

Note 2 – Summary of Significant Accounting Policies

The accounting policies and presentation of the Schedule of Expenditures of Federal Awards and State Financial Assistance are in accordance with accounting principles generally accepted in the United States of America as applicable to governmental organizations.

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of City of Sanford under programs of the federal government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City of Sanford, it is not intended to and does not present the financial position, changes in net position/fund balance, or cash flows of City of Sanford.

Note 3 – State Revolving Fund Loans

For State Revolving Fund loans listed on the Schedule of Expenditures of Federal Awards and State Financial Assistance, the City had the following loan balances outstanding at September 30, 2025.

Program Title	Federal AL Number	Grant Number	Total Outstanding
State Revolving Fund	66.468	DW590192	$ 18,498,493
State Revolving Fund	66.468	DW590160	$ 0

Note 4 – Indirect Cost Rate

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

Note 5 – Pass Throughs

No amounts were passed through to sub recipients.

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Independent Accountant's Report

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

We have examined the compliance of the City of Sanford, Florida (the "City") with the requirement of Section 218.415, Florida Statutes, for the fiscal year ended September 30, 2025. The City's management is responsible for compliance with those requirements. Our responsibility is to express an opinion on the City's compliance based on our examination.

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

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

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

In our opinion, the City complied with the aforementioned requirements for the fiscal year ended September 30, 2025, in all material respects.

Forvis Mazars, LLP

Orlando, Florida
April 30, 2026

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Independent Auditor's Management Letter

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

Report on the Financial Statements

We have audited the financial statements of the City of Sanford, Florida (the "City") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated April 30, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); 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 the Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the City 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 did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General,* a PACE program pursuant to Section 163.081 or Section 163.082, Florida Statutes, operated within the City's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b., *Rules of the Auditor General,* the following is a list of program administrators and third-party administrators that administered the program:

- Florida PACE Funding Agency

As required by Section 10.554(1)(i)6.c., *Rules of The Auditor General,* the full names and contact information of each such program administrator and third-party administrator:

- Florida PACE Funding Agency c/o Counterpointe Energy Solutions
  2600 Maitland Center Blvd, Suite 163
  Maitland, FL 32751
  Info@FloridaPACE.gov
  850-400-7223

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.

a. As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General,* the City of Sanford Community Redevelopment Agency (the CRA), a dependent special district of the City, reported:

b. The total number of district employees compensated in the last pay period of the CRA's fiscal year as 0.

c. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the CRA's fiscal year as 0.

d. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $0.

e. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0.

f. Each construction project with a total cost of at least $65,000 approved by the CRA that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as $2,082,723.

g. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as $6,784,846.

Specific information of the Sanford Airport Authority, a dependent special district of the City of Sanford, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General,* is reported in the Sanford Airport Authority's management letter for the fiscal year ended September 30, 2025.

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 has occurred or is likely to have occurred, that has 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 had the following recommendation:

MLC 2025-001 Suspension and Debarment

Condition: The City did not document procedures performed to verify vendors were not suspended, debarred, or otherwise excluded prior to executing contracts.

Criteria: Per 2 CFR Part 180, all non-federal entities are prohibited from contracting with or making sub-awards under covered transactions with parties that are suspended or debarred or otherwise excluded from or ineligible to participate in federal assistance programs or activities.

Cause: The City did not have a formalized, consistently applied procedure requiring documented verification of vendor suspension and debarment status prior to executing contracts.

Effect: Failure to verify vendors against the excluded parties list increases the risk that federal funds could be awarded to ineligible parties, resulting in noncompliance with federal requirements.

Recommendation: We recommend that the City update procedures to ensure vendor suspension and debarment checks are consistently performed prior to executing contracts and documentation evidencing the completion of these checks is retained in the contract file.

Management Response: The City does have a procedure to ensure vendor suspension and debarment checks are consistently performed prior to executing contracts. However, the documentation does not appear to be in the file. When this grant was picked several years ago, the documentation was provided but it apparently was not retained. Unfortunately, the City has gone through several personnel changes in the positions responsible and it appears the documentation was lost.

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.

Forvis Mazars, LLP

Orlando, Florida
April 30, 2026