

City of Rockledge, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended September 30, 2023

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City of Rockledge, Florida
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Year Ended September 30, 2023

Prepared by: Matthew Trine

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City of Rockledge, Florida
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As of September 30, 2023

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MAYOR

Thomas J. Price

CITY COUNCIL

Dr. Michael A. Cadore Sr.

Dr. R. Shaun Ferguson

Sammie Brown Martin

Frank T. Forester

Duane A. Daski

Ted J. Hartselle

CITY MANAGER

Dr. Brenda Fettrow

ASSISTANT CITY MANAGER

Matthew D. Trine

CITY ATTORNEY

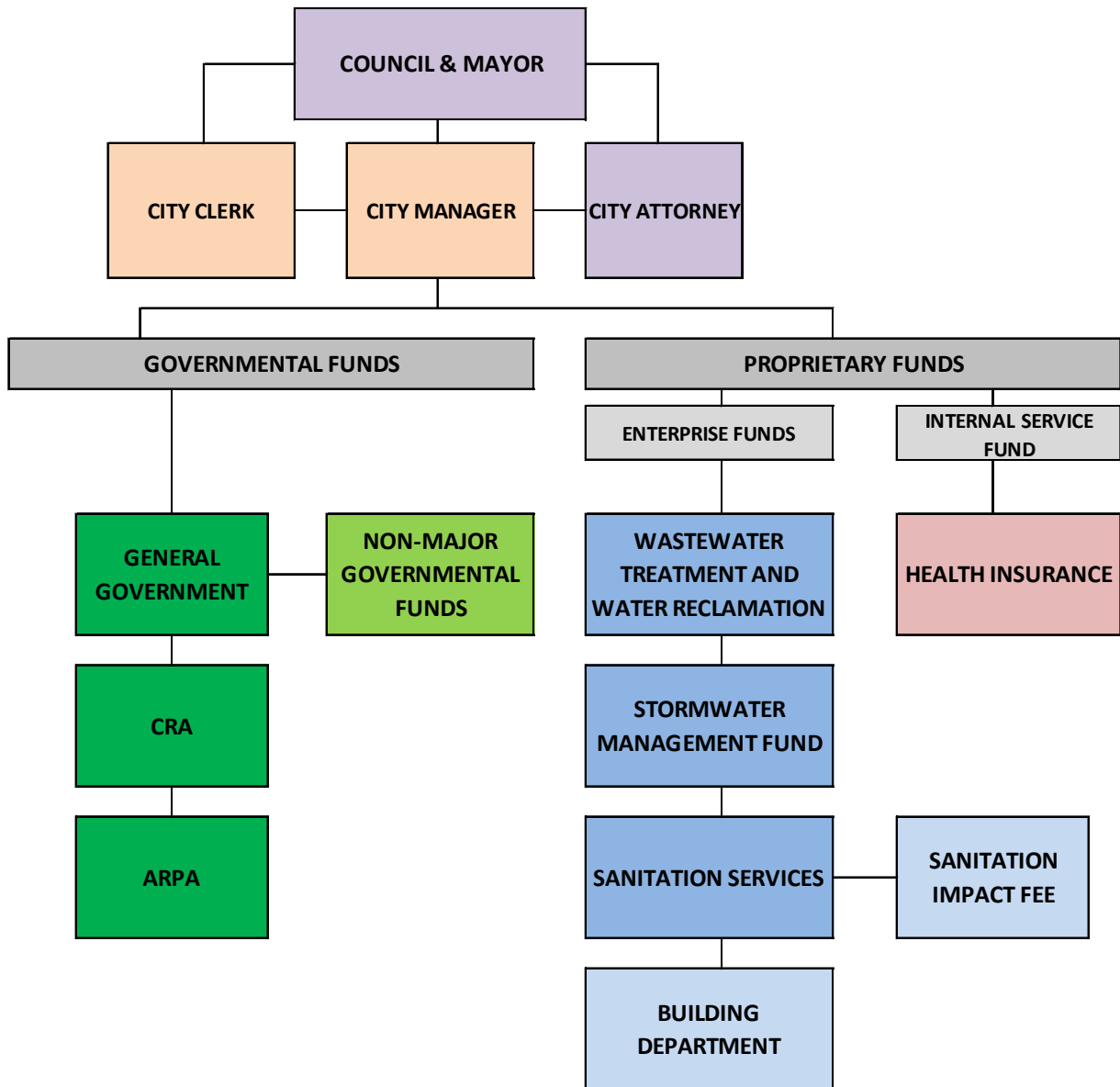
Joseph Miniclier

CITY CLERK/PUBLIC RELATIONS

Jennifer M. LeVasseur

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City of Rockledge, Florida
Organization Chart
As of September 30, 2023



- | | | |
|---|---|--|
| - Major Enterprise Funds | - Major Governmental Funds | - Chartered Officers |
| - Non-Major Enterprise Funds | - Non-Major Governmental Funds | - Elected Officials & City Attorney |
| - Internal Service Fund | | |

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CITY HALL
1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6356

BUILDING DIVISION
1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6356

PUBLIC SAFETY DEPT.

FIRE DIVISION
1776 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6386

POLICE DIVISION
1776 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-690-3213
FAX: 321-690-3996

PUBLIC WORKS DEPT.
1400 N. GARDEN ROAD
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6353

**WASTEWATER
TREATMENT & WATER
RECLAMATION DEPT.**
1700 JACK OATES BLVD.
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6377

REDEVELOPMENT
1600 HUNTINGTON LANE
ROCKLEDGE, FL 32955
TELEPHONE: 321-221-7540
FAX: 321-204-6385

www.cityofrockledge.org

March 8, 2024

The Honorable Mayor,
Members of City Council,
and Citizens of the City of Rockledge:

The Annual Comprehensive Financial Report of the City of Rockledge, Florida, for the fiscal year ended September 30, 2023, is hereby submitted. The report includes Management's Discussion and Analysis and is reflective of management's position on the financial status of the City. Management is responsible for the contents of the annual comprehensive financial report. As such, management, with the support of the elected officials, has established a comprehensive framework of internal controls to protect the City from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with generally accepted accounting principles (GAAP). This framework of internal controls, despite inherent limitations, is established to provide a reasonable basis for asserting that these financial statements are fairly presented. 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 firm of Carr, Riggs & Ingram, LLC, has audited the City's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City for the fiscal year ended September 30, 2023 are free of material misstatement. The independent audit involves 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, 2023, are fairly presented in conformity with GAAP. The independent auditor's 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 (MD&A). This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it.

The report reflects work compliant with Governmental Accounting Standards Board (GASB) Statement No. 34 and was performed independent of the audit provisions. This includes accounting for streets, roads, sidewalks, stormwater facilities and all wastewater related infrastructure. This information will have an impact on the financial structure of the report and there will be additional statements within the document depicting those requirements.

Furthermore, the report reflects GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This statement will continue to have a significant impact on net position for the entity-wide statements and the enterprise fund level statements. For more information on the impact of GASB 68, please refer to Note 11 in the Notes to Financial Statements. Finally, the report reflects GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

AWARDS AND ACKNOWLEDGEMENTS

The City of Rockledge participates in the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. The City's initial submission for this program was for the Annual Comprehensive Financial Report for the year ended September 30, 2019, for which the City received the Certificate. The City also received the award for each subsequent submission, the most recent for this program was for the year ended September 30, 2022.

PROFILE OF THE CITY

Economic conditions for fiscal year 2023 have continued their improvement from the period of the COVID-19 pandemic, as is evidenced in the overall value of building activity and property values. As a measure of local economic activity, total permit value was up from \$102.5 million in 2022 to \$258.2 million in 2023. Total permits issued were 2,891, up 2.4 percent from 2,821, the previous year. New construction in residential units increased significantly (191 new single-family homes, 114 in 2022) and in commercial buildings (34 new commercial buildings, five in 2022). Assessed (gross taxable) property values increased by 15.79 percent in 2023, which is the twelfth consecutive year of increased values.

Under its Charter, the City operates as a Council-Manager form of government. The Mayor and City Council are elected at large on a non-partisan basis with staggered three-year terms. They are responsible for passing ordinances, adopting budgets, appointing committees, and hiring the City Manager, City Clerk, and City Attorney. The City Manager is responsible for implementing the policies and ordinances of the Council, overseeing daily operations, and hiring Department Directors and all other employees of the City. The City currently has 252 full-time equivalent staff positions and 14 part-time staff positions allocated within the budget, as well as volunteers within the Police Department. Volunteers also operate the Georgia Phillips Reading Room at the Community Resource Center.

The City provides a full range of services, including police and fire protection; public works, including sanitation, stormwater management, street and sidewalk maintenance, etc.; planning, community development and grants acquisition; building inspection services and code enforcement; wastewater treatment and reclaimed water; and general administration and support services. The City has five proprietary enterprise funds – wastewater treatment/reclaimed water, stormwater, sanitation, sanitation impact fee, and the building department. The City also has a Community Redevelopment Agency (CRA) and associated budget as outlined in Florida Statutes, Chapter 163. As for recreation and leisure services, the City is part of a recreational district created by legislative act in 1971 that serves the central mainland of Brevard County.

The annual budget is a foundation for the financial planning and control for the City and is meant to further the Strategic Plan of the City. The budget process begins at staff level in May of each year, through the City Manager, and is worked through the Council Finance and Budget Committee in June, July, and August. A public workshop is held in August and public hearings in September for adoption of the budget to begin October 1 of each year. The annual tax millage rate is also established at the same time as adoption of the budget.

The budgets are adopted by fund and department. The City Manager can make appropriate transfers within departmental budgets without Council approval. Changes to overall budgets require approval by the City Council. The City Council receives monthly reports of financial conditions of the City, including comparisons as to budget and actual expenditures.

FACTORS AFFECTING FINANCIAL CONDITIONS

As a part of the Central Florida Regional economy, Rockledge has steadily rebounded financially since the recession years of 2009-2012. During Fiscal Year 2023, unemployment slightly increased, and ranged between 2.3 and 3.2 percent. While increased, the rate is below recent historical averages, and continuing the downward trend from what started as double digits during the initial pandemic response period of 2020-2021. The expansion of business in the City continues to be positive. Economic development on a comprehensive basis has been aided by redevelopment and public works projects. The City's marketing efforts continue to attract new businesses, support existing businesses, and foster revitalization of vacant and underutilized properties.

The City of Rockledge has an adopted Business Plan, Investment Strategy, and comprehensive approach to financial matters as well as budgeting. Each budget reflects delivering service at the highest level that can be supported by available revenues. This focus includes personnel management, maintenance and operations, purchasing, and projects. The City's financial position allows for responsible investments in capital projects and the continued replacement of vehicles and necessary operating equipment. Emphasis for the future includes the care and maintenance of existing facilities and infrastructure, combined with long-term strategic planning for efficiencies in operations and capital improvements.

As a top priority, the City continues to strategically manage its debt load, including reductions for all governmental budget funds. In thirteen years, the City has been able to lower the debt principal from \$14.16 million to \$4.92 million, or to \$172 per capita. Of this, governmental debt is only \$1.14 million, or \$40 per capita. The debt service includes:

- General Fund total debt stands at \$1,136,796 for the Police and Fire Station's new construction and technology upgrades (retiring in 2028).
- The Wastewater Plant debt consists solely of the Series 2021 note to partially fund the construction of the equalization basin and biosolids projects. This note has an outstanding principal of \$3,783,708.
- The Community Redevelopment Agency has a \$500,000 credit line with Community Bank of the South. As of September 30, 2023, this debt instrument was fully satisfied.

Efforts made towards major projects in Fiscal Year 2023 included the continued construction of the Wastewater Flow Equalization Basin and Biosolids combined project for the Wastewater and Water Reclamation Plant, the completion of the Northeast Forcemain Reroute, the completion of Pines Industrial Forcemain, Lake Virginia improvements, and the start of the Multi-Use Sports Complex.. Additional projects within the year included:

- Continued implementation of the Compensation and Classification System for employees, including the increase of the City-Wide minimum wage. The implementation plan was modified for the new Florida State minimum wage changes through September 2026.
- Purchase of an excavator for the Public Works Department.
- Purchase of a Vac-con truck for each of the Wastewater Treatment Plant and the Stormwater Department.
- Purchase of a Fire Engine for the Fire Department.
- Purchase of a garbage packer for the Sanitation Department.
- Purchase of four police interceptors for the Police Department.
- Completion of 7 Façade Improvement Grants through the Community Redevelopment Agency

Cash reserves are examined each budget season, and are maintained by the City as a contingency against emergent situations. During times of emergency response and disaster mitigation, these fund reserves have historically allowed the City to respond in a timely and efficient manner. These reserves are invested in certificates of deposit, treasury bonds, cash management sweep accounts, and money market accounts. Yields have continued to rise from historic lows, due to Federal Open Market Committee rate increases. Risk Management includes insurance for workers' compensation, general liability, property, vehicular, fiduciary, public officials, and special risk through the Florida League of Cities Municipal Trust Program. The City continues to focus on reducing workers' compensation costs through safety programs and training. In Fiscal Year 2023, City-wide trainings continued to increase safety, via a mixture of online and in-person trainings as best suits the employee's job responsibilities. The City-wide safety manual has also been implemented. These continued efforts have recently reduced the risk of unforeseen losses and business interruption. Furthermore, the City actively trains its employees on cybersecurity awareness and risk mitigation. Liability, property and casualty insurance have also been maintained at reasonable cost levels.

City Council has continued to pay close attention to the funded status of the three pension plans provided for City employees. On average, the unfunded liability continues to improve over the recessionary levels. The 2023 market performance well above investment objectives has aided the recovery from the 2022 underperformance. Therefore, the General, Fire, and Police Employees plans funded status improved in 2023. The calculated funded status of each plan as of September 30, 2023 was as follows:

General	87.54%	Police	91.28%	Fire	77.35%
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The City continues to be in an overall positive position when compared with other pension plans statewide. Furthermore, the City has maintained steady contributions to each plan in fiscal year 2023, despite the reduction in actuarially required contributions for each plan. As evidence, with the exception of the Fire Employees Retirement Plan's individual funded status, each plan has remained well above 80 percent, which is considered the baseline for healthy pension plans. Averaged together, the combined fiduciary net position of all three plans is 85.78% of the combined total pension liability. As the total pension liability of all three plans continues to grow, monitoring plan funded status remains a priority.

ECONOMIC FACTORS, AND NEXT YEAR'S BUDGET AND RATES

When establishing priorities for the Fiscal Year 2023 Budget, the City considered many factors for setting tax rates and user fees for business-type activities. The City emphasizes maintenance, replacement and renewal of existing facilities, and cost-effective capital projects. City facilities, vehicles, and equipment, are in good order but continued evaluation is necessary, especially in light of population growth and service

delivery. Maintaining adequate reserves is key to the continued provision of orderly services in the event of a catastrophic situation.

With the inclusion of newly annexed property, the 13.22 square miles of the City is substantially developed, though there continues to be residential, commercial, and industrial development and redevelopment. The newly annexed property on the western side of the City provides opportunity for such development. The CRA has concentrated on attracting new business to the districts, property improvements, and removal of dilapidated structures. Since 2004, the City has funded 130 property improvement projects with matching grants totaling \$1,015,008 (\$10,000 limit on any one grant).

The State of Florida continues to make changes to revenue sources that fund the City budget, especially the General Fund. City Staff evaluates the budget on a monthly basis and the City Manager makes recommendations to City Council when appropriate and actionable to ensure financial responsibility.

Until the COVID-19 pandemic, the budget uncertainties were becoming less problematic. Although growth continues, volatility in regulations and economic activity has increased. These include positive and negative economic effects on the City, such as State and Local Fiscal Recovery Funds providing one-time financial resources, while unfunded Federal and State mandates provide continuing financial obligations. Potential changes to ad-valorem tax exemptions in conjunction with the effect of state and federal actions affecting intergovernmental revenues may affect the City's budgeted revenues in unforeseen ways. Diligence to detail, along with matching recurring and non-recurring revenues to the proper initiatives are important in allocation of revenues moving forward. With the state mandated minimum wage changes, the City will need to continue to evaluate personnel costs, staffing levels, and benefits, while at the same time keeping salary ranges competitive so as not to become a training ground for other entities.

Enterprise funds such as sewer, sanitation, stormwater utility, and the building department continue to meet financial requirements. Fee increases are evaluated each year based on need and expansion requirements. Providing the same quality service with predictable long-term costs are the strategic goals that determine rates. To fund capital improvement projects and fund repairs and replacements on the aging system, the base service charges for sewer were increased for fiscal year 2023, October 1st of 2023, and have an increase starting October 1st of 2024. The gallonage charge was increased in fiscal year 2023, October 1st of 2023, and has a subsequent increase effective October 1st of 2024. Stormwater rate increases were last enacted for fiscal year 2022, with no future increases enacted. Sanitation rates were increased in fiscal year 2023, October 1st of 2023, and have a subsequent increase effective October 1st of 2024. Stormwater and Sewer rates still remain among the lowest in Brevard County. The City is the only provider of full-service sanitation within Brevard County, whereby each residential collection vehicle is staffed with a driver and crew.

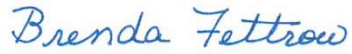
CONCLUSION

The preparation of this report would not have been possible without the excellent work of the Finance Division. An extensive amount of detailed effort occurs during the year, as well as during the audit, to ensure accuracy and appropriate evaluation of procedures. Other City departments contribute extensively to the sound financial practices of this local government to ensure accountability and the carrying out of the City's mission. Appreciation is also expressed to the independent audit team led by Christine Noll-Rhan for its tireless efforts on this yearly project. Finally, a sincere thank you to the City Council, for your direction and your trust in staff to carry out your policies throughout the year. It is truly a team effort.

The 2023 Fiscal Year was a very successful year with much accomplished in all budgetary areas. The main emphasis has been placed on the maintenance of existing facilities to extend usefulness for longer periods, the proper investment of the State and Local Fiscal Recovery funds, and the continuance of excellent service at reasonable costs. City staff will continue to focus on quality service delivery to the citizens within approved budgetary allocations.

The City of Rockledge has and will continue to serve the citizens with continued high-quality service, while keeping the tax and service rates at a reasonable level. We are honored to have this opportunity to serve the citizens and to move Rockledge forward, enjoying continued success and prosperity.

Sincerely,
CITY OF ROCKLEDGE, FLORIDA



Dr. Brenda Fettrow, City Manager



Matthew D. Trine, Assistant City Manager/ Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Rockledge
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Rockledge, Florida 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.

Emphasis of Matter

As described in Note 2 to the financial statements, in fiscal year 2023, the City adopted new accounting guidance, GASB Statement No. 96, *Subscription-based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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 of Rockledge, Florida's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Rockledge, Florida'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 of Rockledge, Florida's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Rockledge, Florida's basic financial statements. The accompanying combining nonmajor fund financial statements, and schedule of expenditures of federal awards as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 auditing standards generally accepted in the United States of America. In our opinion, the combining nonmajor fund financial statements, and the schedule of expenditures of federal awards 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 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 March 8, 2024, on our consideration of the City of Rockledge, Florida'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 of Rockledge, Florida'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 City of Rockledge, Florida's internal control over financial reporting and compliance.

Cam, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 8, 2024

City of Rockledge, Florida Management's Discussion and Analysis

As management of the City of Rockledge (the "City"), we offer readers of the City's financial statements this narrative overview of the financial activities of the City for the fiscal year ended September 30, 2023. 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 vii to xii of this report.

FINANCIAL HIGHLIGHTS

- Total assets and liabilities of the City as of September 30, 2023, were \$195,646,113 and \$26,372,393 respectively. Deferred outflows related to pensions and post-employment benefits were \$5,350,685. Deferred inflows related to pensions, post-employment benefits, leases, and deferred revenues were \$1,567,480.
- City-wide total revenues (\$50,065,442) consisted of \$13,250,630 of charges for services, \$32,186 in operating grants and contributions, \$11,491,267 in capital grants and contributions, and \$25,291,359 of general revenues. Total expenses were \$32,669,593.
- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$173,056,925 (net position). Of this amount, \$38,887,384 (unrestricted net position) may be used to meet the City's ongoing obligations to its citizens and creditors.
- The City's total net position increased by \$17,395,849 or 11.18 percent due to current year operations. It should be noted that, of this amount, \$11,491,267 represents capital grants and contributions to the City within the fiscal year, the majority of which (\$5,919,022) are one-time revenues related to the State and Local Fiscal Recovery Funds. The governmental net position increased by \$6,647,239 or 6.85 percent, and the business-type net position increased by \$10,748,610 or 18.32 percent. Transfers from the governmental funds to the proprietary funds during the year totaled \$3,728,466, representing the reimbursement of qualified American Rescue Plan Act expenses. Transfers from the proprietary funds to the governmental funds during the year totaled \$479,000, representing cash transfers to supplement other fund sources for operating and capital purposes.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$25,167,388 or 108.2 percent of the total expenditures and transfers out.
- Net positions of the General Employees, Police Employees, and Fire Employees' Pension Trust Funds increased by \$1,739,169, \$1,355,946, and \$901,109 respectively. These changes were primarily the result of net appreciation in the fair value of each plan's investments and investment earnings in excess of benefits and administrative costs. For all three plans benefit payments and administration costs exceeded contributions in the current year. This factor continues to signal the maturity of each plan and its reliance on investment performance.

City of Rockledge, Florida Management's Discussion and Analysis

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which comprise 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.

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 the City's assets, deferred outflows, liabilities, and deferred inflows, with the difference between these four financial statement elements reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

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, administrative services, mayor and city council, city attorney, police, fire, public works, planning and development. The business-type activities of the City include wastewater system, stormwater utility, sanitation services, and building department services.

The government-wide financial statements can be found on pages 21 through 23 of this report.

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By

City of Rockledge, Florida Management's Discussion and Analysis

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 seven 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, Community Redevelopment Agency (CRA), and American Rescue Plan Act Fund (ARPA), which are the City's major governmental funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements as other supplementary information in this report.

The City adopts annual appropriated budgets for its General, CRA, and ARPA Funds. Budgetary comparison schedules have been provided for each to demonstrate compliance with the budget and are presented as required supplementary information. The basic governmental funds' financial statements can be found on pages 24 through 27 of this report.

Proprietary funds. The City maintains five enterprise funds 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 wastewater system, sanitation services, stormwater utility, sanitation impact fee, and building department operations. The sanitation impact fee and building department funds are non-major proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds' financial statements provide separate information for each individual enterprise fund. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements as other supplementary information in this report.

The basic proprietary funds' financial statements can be found on pages 28 through 37 of this report.

The City maintains one internal service fund. The City uses an internal service fund to account for its health insurance functions. The internal service fund is combined with governmental activities on the government-wide statements.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of individuals or entities outside the City. Specifically, the City's fiduciary funds represent amounts held for the satisfaction of pension plan liabilities and operating expenditures. Fiduciary funds are not reflected in the government-wide financial statements, because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds' financial statements can be found on pages 38 and 39 of this report.

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

The notes to the financial statements can be found on pages 41 through 87 of this report.

City of Rockledge, Florida Management's Discussion and Analysis

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 funding its obligation to provide pension benefits to its employees.

The required supplementary information can be found on pages 91 through 113 of this report.

The combining statements referred to earlier, in connection with non-major governmental funds and fiduciary funds, are presented immediately following the required supplementary information.

The combining statements can be found on pages 117 through 121 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows exceeded liabilities and deferred inflows by \$173,056,925 at September 30, 2023.

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	\$ 44,564,782	\$ 44,507,199	\$ 24,850,497	\$ 24,254,194	\$ 69,415,279	\$ 68,761,393
Capital assets	<u>74,850,182</u>	<u>72,686,635</u>	<u>51,380,652</u>	<u>41,880,167</u>	<u>126,230,834</u>	<u>114,566,802</u>
Total assets	<u>119,414,964</u>	<u>117,193,834</u>	<u>76,231,149</u>	<u>66,134,361</u>	<u>195,646,113</u>	<u>183,328,195</u>
Deferred outflows of resources	<u>4,415,836</u>	<u>6,719,150</u>	<u>934,849</u>	<u>1,569,816</u>	<u>5,350,685</u>	<u>8,288,966</u>
Long-term liabilities	11,370,028	12,144,561	5,985,545	6,599,591	17,355,573	18,744,152
Other liabilities	<u>7,607,729</u>	<u>13,247,219</u>	<u>1,409,091</u>	<u>2,007,903</u>	<u>9,016,820</u>	<u>15,255,122</u>
Total liabilities	<u>18,977,757</u>	<u>25,391,780</u>	<u>7,394,636</u>	<u>8,607,494</u>	<u>26,372,393</u>	<u>33,999,274</u>
Deferred inflows of resources	<u>1,205,955</u>	<u>1,521,355</u>	<u>361,525</u>	<u>435,456</u>	<u>1,567,480</u>	<u>1,956,811</u>
Net investment in capital assets	72,485,905	70,686,599	46,259,177	38,824,913	118,745,082	109,511,512
Restricted	7,278,570	5,999,350	8,145,889	7,458,426	15,424,459	13,457,776
Unrestricted	<u>23,882,613</u>	<u>20,313,900</u>	<u>15,004,771</u>	<u>12,377,888</u>	<u>38,887,384</u>	<u>32,691,788</u>
Total net position	<u>103,647,088</u>	<u>96,999,849</u>	<u>69,409,837</u>	<u>58,661,227</u>	<u>173,056,925</u>	<u>155,661,076</u>

A significant portion of the City's net position (68.62 percent) reflects its investment in capital assets (e.g., land, buildings and facilities, equipment, vehicles, and transmission lines), less any balance of expended related debt used to acquire those assets that are still outstanding. This value is further reduced by any outstanding accounts and retainages payable related to the capital assets. The City uses these capital assets to provide services to its citizens and local businesses; consequently, these assets are not available to satisfy outstanding liabilities. Although the City's investment in capital assets is reported net of related debt and other reconciling items, 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. This category represented 70.35 percent of net position in the prior year. The increase in net investment in capital assets totaled \$9,233,570 for

City of Rockledge, Florida Management's Discussion and Analysis

the City as a whole, which is 53.08% percent of the overall increase in net position (\$17.4 million). However, a decrease in the ratio of this category to total net position still occurred.

An additional portion of the City's net position (8.91 percent) represents resources that are subject to external restrictions on how they may be used, less any portion of unspent restricted debt proceeds. This includes unspent funds designated for CRA, ARPA, transportation and other capital projects, unexpended impact fee collections required to be used for the renewal and replacement of the wastewater system and expanding sanitation services, and amounts required to be set aside for debt service and the operation of the building department. The remaining balance (\$38,887,384 or 22.47% percent) represents unrestricted net position that may be used to meet the City's ongoing obligations to its citizens, local businesses, and creditors. Unrestricted net position was \$32,691,788 in the prior year, or 21.00% of total net position.

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.

Governmental activities. Governmental activities increased the City's net position by \$6,647,239, compared to an increase of \$4,425,835 in the prior year. In both years, capital grants related to the State and Local Fiscal Recovery Funds (SLFRF) have significantly impacted this increase. In fiscal year 2023 \$5,919,022 of SLFRF grants were recognized in Governmental Activities, with an offsetting transfer out of \$3,728,466 to Business-type Activities. In fiscal year 2022, \$2,155,262 of SLFRF grants were recognized in Governmental Activities, with an offsetting transfer out of \$1,484,758 to Business-type Activities. Revenues increased by 25.76 percent or \$6,512,436 with the largest increases related to capital grants and contributions (\$3,650,953) and property taxes (\$1,469,808). Conversely, the only decrease in revenues occurred in the "other" revenues category (\$202,135).

Expenses increased compared to 2022 by \$2,047,324 with the largest increases related to general government (\$783,957) and fire (\$635,417). Although most categories increased, planning and development decreased (\$32,980), while interest on long-term debt decreased (\$34,451). Interest on long-term debt also includes the interest on subscription based technology arrangements with the implementation of GASB 96, see Note 2.

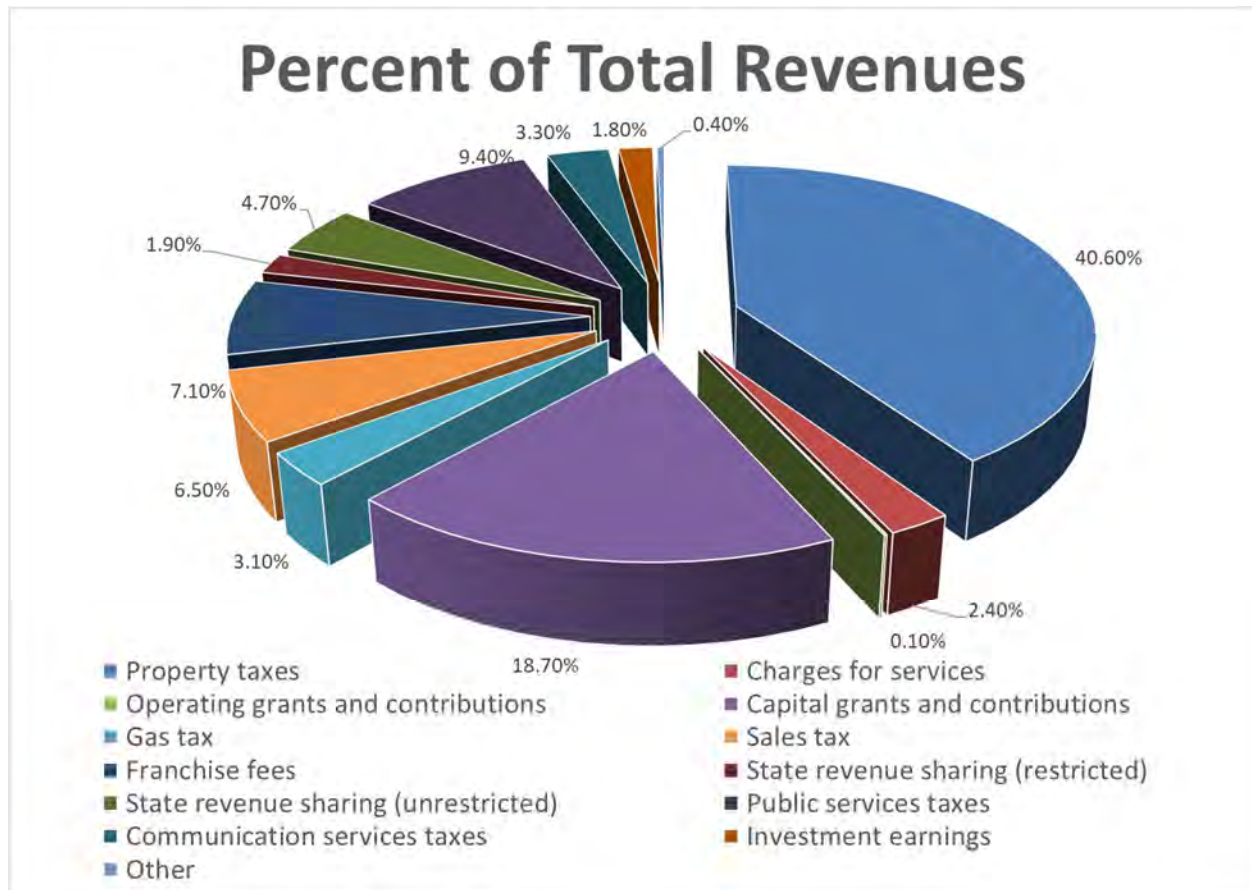
City of Rockledge, Florida

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	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues						
Charges for services	\$ 771,848	\$ 740,990	\$ 12,478,782	\$ 11,277,990	\$ 13,250,630	\$ 12,018,980
Operating grants and contributions	16,716	10,122	15,470	2,721	32,186	12,843
General Revenues						
Property taxes	\$ 12,894,707	\$ 11,424,899	-	-	12,894,707	11,424,899
Gas tax	970,171	958,034	-	-	970,171	958,034
Sales tax	2,057,675	2,005,609	-	-	2,057,675	2,005,609
Franchise fees	2,263,240	2,040,696	-	-	2,263,240	2,040,696
State revenue sharing (restricted)	605,395	472,317	-	-	605,395	472,317
State revenue sharing (unrestricted)	1,493,344	1,378,325	-	-	1,493,344	1,378,325
Public services taxes	2,982,128	2,625,698	-	-	2,982,128	2,625,698
Communication services taxes	1,064,571	1,009,147	-	-	1,064,571	1,009,147
Investment earnings	584,656	(25,004)	204,453	(36,532)	789,109	(61,536)
Other	135,732	337,867	35,287	10,509	171,019	348,376
Total revenues	25,840,183	22,978,700	12,733,992	11,254,688	38,574,175	34,233,388
Expenses:						
General government	\$ 2,121,975	\$ 1,338,018	-	-	2,121,975	1,338,018
Administrative services	2,007,505	1,698,464	-	-	2,007,505	1,698,464
Mayor and City Council	66,600	67,140	-	-	66,600	67,140
City attorney	226,586	183,817	-	-	226,586	183,817
Police	7,710,081	7,348,836	-	-	7,710,081	7,348,836
Fire	5,181,749	4,546,332	-	-	5,181,749	4,546,332
Public works	4,176,841	4,193,975	-	-	4,176,841	4,193,975
Planning and development	393,417	426,397	-	-	393,417	426,397
Interest on long-term debt	7,493	41,944	-	-	7,493	41,944
Wastewater system	-	-	5,501,898	4,954,911	5,501,898	4,954,911
Sanitation services	-	-	3,848,922	3,304,774	3,848,922	3,304,774
Stormwater utility	-	-	968,818	931,708	968,818	931,708
Building department	-	-	457,708	484,704	457,708	484,704
Total expenses	21,892,247	19,844,923	10,777,346	9,676,097	32,669,593	29,521,020
Excess (deficiency) of revenues over expenses	\$ 3,947,936	\$ 3,133,777	\$ 1,956,646	\$ 1,578,591	\$ 5,904,582	\$ 4,712,368
Capital grants and contributions	5,948,769	2,297,816	5,542,498	883,714	11,491,267	3,181,530
Transfers in (out)	(3,249,466)	(1,005,758)	3,249,466	1,005,758	-	-
Increase (decrease) in net position	6,647,239	4,425,835	\$ 10,748,610	\$ 3,468,063	\$ 17,395,849	7,893,898
Net position, beginning	96,999,849	92,574,014	58,661,227	55,193,164	155,661,076	147,767,178
Net position, ending	\$ 103,647,088	\$ 96,999,849	\$ 69,409,837	\$ 58,661,227	\$ 173,056,925	\$ 155,661,076

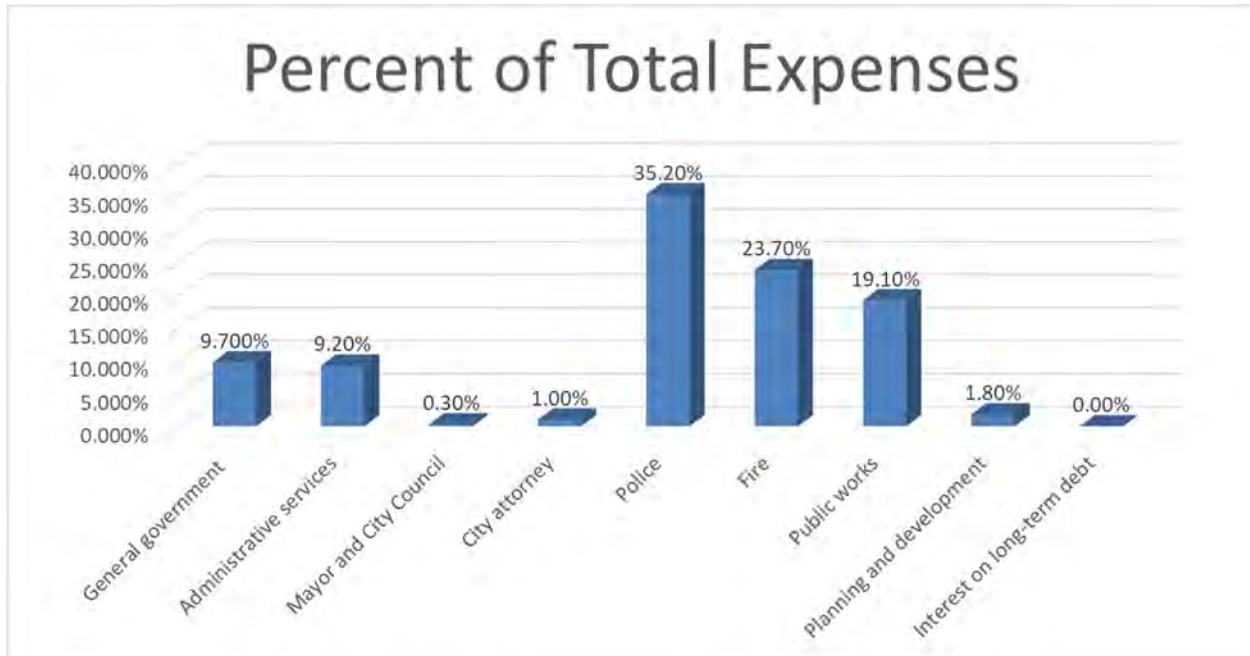
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Revenue by Source - Governmental Activities
as Value and Percentage of Total Revenues



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Expenses by Program - Governmental Activities
as a Percentage of Total Expenses

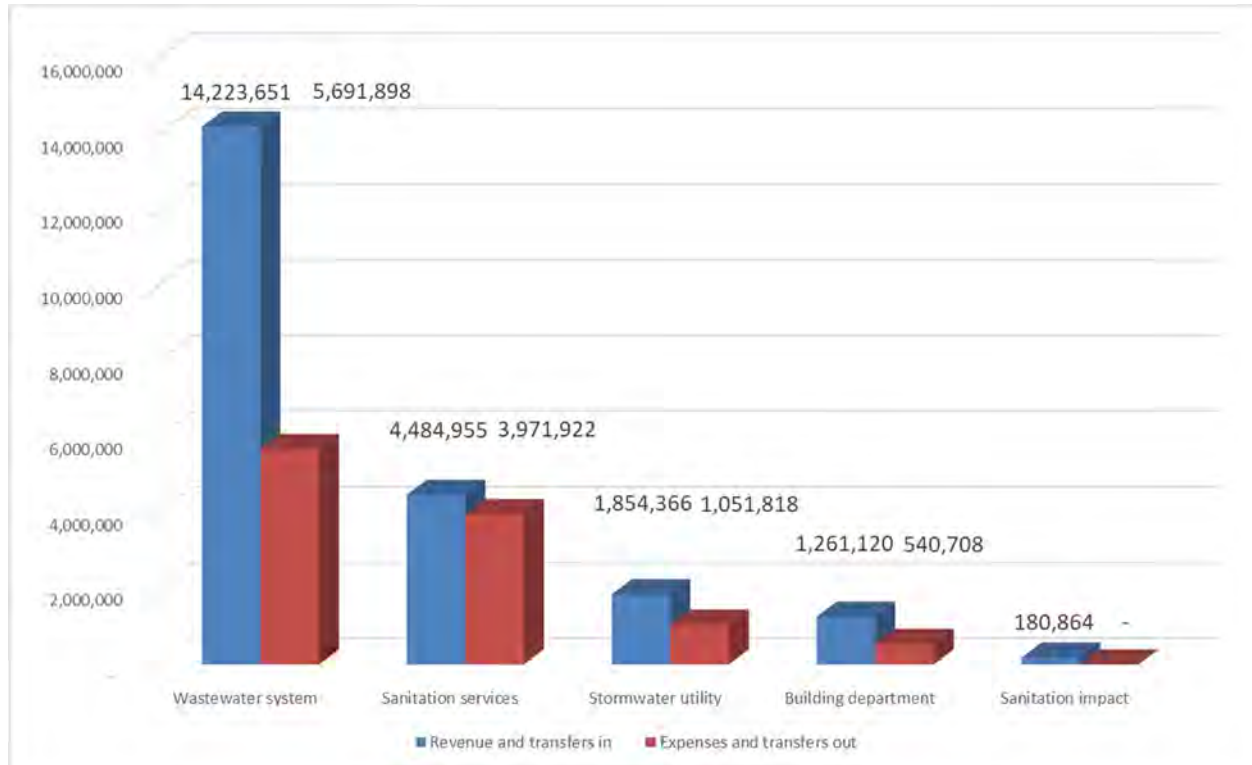


Business-type activities. Business-type activities increased the City's net position by \$10,748,610, compared to an increase of \$3,468,063 in the prior year. On the statement of net position, current and other assets increased \$596,303, while deferred outflows of resources decreased \$634,967, with the decrease in deferred outflows more than offsetting the increase in current assets, reducing the City's net position. Capital assets increased \$9,500,485, while long-term liabilities decreased \$614,046, both improving the the City's net position. Other liabilities decreased \$598,812 and deferred inflows of resources decreased \$73,931, both increasing the City's net position.

On the statement of activities, total revenues decreased by 50.56 percent over the prior year. Significantly increased capital grants and contributions of \$4,658,784 were assisted by an increase in charges for services of \$1,200,792. It should be noted that the majority of capital contributions are one-time revenues, which are utilized to construct or purchase capital assets, which must be operated and maintained by recurring revenues in the future. Expenses increased a total of \$1,101,249, mainly due to increases in the wastewater system, with expense increases of \$547,987, and sanitation of \$544,148. The stormwater utility expenses increased \$37,110, and the building department expenses decreased \$26,996.

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Program Revenues and Expenses - Business-type Activities



FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$34,302,589 an increase of \$5,648,750 when compared to the prior year's ending balance. Of this total amount, \$25,167,388 represents the General Fund unassigned fund balance, which is available for spending at the City's discretion. Restricted fund balances in the General, CRA, and special revenue funds, which are restricted by law or administrative action for specific purposes, total \$7,278,570. A portion of governmental fund balance (\$1,420,127) is assigned to reflect that management has designated a future use for these amounts. The remaining fund balance is nonspendable because it has already been committed to inventories (\$108,735) or prepaid expenses (\$327,769).

City of Rockledge, Florida Management's Discussion and Analysis

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$25,167,388, while total fund balance reached \$27,350,053. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the fund's total operational expenditures.

Unassigned fund balance represents 108.2 percent of total expenditures and transfers out for recurring operational costs reported in other funds, while total fund balance represents 117.6 percent of that same amount. The General Fund's fund balance increased by \$4,356,681 during the current fiscal year.

The increase in the General Fund's fund balance may best be interpreted by a comparison to the budget, as passed and amended by City Council. The City's original and amended budgets, included within the required supplementary section of this report, purposefully estimate that total revenues and utilization of fund balance will equal total expenditures necessary to provide the quality and level of services required by its Charter and requested by its citizens and local businesses. The City's General Fund actual revenues were \$1,050,588 more than those budgeted. This represented 24.11% of the increase in fund balance. Therefore, the majority of the difference in budgeted versus actual changes in fund balance were through aggregate actual expenditures below the amounts budgeted. From an operational perspective, although all departments operated under budgeted expenditures, the fire and public works operated with expenditures more significantly below budgeted levels in the amount of \$2,689,124, and \$1,516,893, respectively. Savings in the fire activities were attributable to less capital improvement activity than expected, supplemented by reduced personnel costs. Savings in the public works activities were realized almost evenly across activity categories, but less so by capital improvement savings. Debt service expenditures were above those originally budgeted, as the implementation of GASB 96 has categorized the satisfaction of subscription-based technology arrangements as debt service, whereby in prior years they were expenditures within the various departments.

CRA. In its 20th year of existence, the CRA fund balance increased by \$1,166,282 after increasing \$1,401,738 in the prior year. The revenues for this fund are derived from the additional tax revenue generated by new construction and improvements in taxable assessed values, as the CRA is continuing to implement plans and improvements, funds were expended primarily on Barnes Boulevard enhancements and the Multi-use Sports Complex construction. A transfer of \$1,906,312, consisting of taxes generated by the incremental growth between the current value and the 2001 base year value, was made from the General Fund to the CRA pursuant to an interlocal agreement with Brevard County.

On a budgetary basis, expenditures for capital projects and acquisitions, professional services, and façade improvement grants were \$5,042,027, \$173,410, and \$128,259, respectively, for a total of \$5,343,696 of the \$5,367,198 in aggregate expenditures below budget in the current year. Increased operating cash inflows due to property value increases were partnered with expenditures below those budgeted for the year, increasing the CRA fund balance to \$6,750,026 as of September 30, 2023. This represents an increase from the beginning of year fund balance of \$5,583,744.

City of Rockledge, Florida Management's Discussion and Analysis

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

	Wastewater System	Sanitation Services	Stormwater Utility
Unrestricted net position, September 30, 2022	\$ 6,015,240	\$ 3,295,150	\$ 3,067,498
Increase (decrease) in net position	8,531,753	513,033	802,548
Decrease (increase) in net position net investment in capital assets	(6,749,781)	(218,780)	(458,799)
Decrease (increase) in net position restricted for renewal and replacement	1,146,050	-	-
Decrease (increase) in net position restricted for capital improvements	(939,141)	-	-
Decrease (increase) in net position restricted for pension benefits	-	-	-
Decrease (increase) in net position restricted for debt service	-	-	-
Increase (decrease) in unrestricted net position	1,988,881	294,253	343,749
Unrestricted net position, September 30, 2023	\$ 8,004,121	\$ 3,589,403	\$ 3,411,247

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgeted expenditures for the General Fund were increased by \$88,000 from the original budget to the final budget. In summary, the General Fund budget was increased within certain departments as follows:

• Mayor and City Council	\$ 1,000
• City Attorney	\$ 50,000
• General Government	\$ 37,000

Expenditures in all general fund departments were within budgeted amounts for the year ended September 30, 2023. The most significant reason for expenditures remaining under budget was watchful management by the City Manager, the Assistant City Manager / Finance Director, and the Department Heads. The increases in the budget for all departments were related to upward revisions in anticipated revenues allowing and accommodating for inflationary pressures on operating costs.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The City's total investment in capital assets for its governmental and business-type activities as of September 30, 2023, amounts to \$126,230,834 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles, furniture and equipment, subscription based technology arrangements, and transmission lines and facilities.

The total increase in the City's investment in capital assets for the current fiscal year was \$11,664,032 or 10.18 percent. This overall change between fiscal years is mainly the result of investments in construction projects outpacing depreciation on assets in operational use. These costs and other investments in capital assets were partially offset by disposals and depreciation and amortization expenses for the year. Larger investments in capital asset categories relate to the construction of a

City of Rockledge, Florida Management's Discussion and Analysis

flow equalization tank and biosolids infrastructure (\$6,845,015) and three force main replacements (\$540,654) for the Wastewater Treatment and Water Reclamation Plant. The Stormwater Department purchased a Vac-con vehicle (\$446,127). The Fire Department acquired a new fire engine apparatus (\$508,775). Public Works procured a new excavator (\$551,063). The CRA funded the initial construction of the Multi-use Sports Complex (\$1,418,810) and the Barnes Boulevard Beautification project (\$549,615). These and other increases in capital assets were offset by depreciation and amortization expenses for the current year of approximately \$4.7 million. Capital assets are discussed more fully in Note 4 of the financial statements.

Schedule of Capital Assets (Net)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 26,568,273	\$ 26,407,146	\$ 3,677,911	\$ 3,677,911	\$ 30,246,184	\$ 30,085,057
Buildings	10,487,715	10,606,669	13,578,901	13,578,901	24,066,616	24,185,570
Improvements	5,686,656	5,005,054	-	-	5,686,656	5,005,054
Equipment	4,592,773	3,955,925	9,827,645	9,570,375	14,420,418	13,526,300
Vehicles	5,176,630	4,442,813	6,865,903	5,526,807	12,042,533	9,969,620
Infrastructure (combined)	46,279,320	46,279,320	46,709,844	42,989,203	92,989,164	89,268,523
Subscription based technology arrangements	982,850	495,556	345,458	169,486	1,328,308	665,042
Construction in progress	1,630,576	258,375	10,241,820	4,197,316	11,872,396	4,455,691
Total capital asset cost	101,404,793	97,450,858	91,247,482	79,709,999	192,652,275	177,160,857
Accumulated depreciation and amortization	(26,554,611)	(24,764,223)	(39,866,830)	(37,829,832)	(66,421,441)	(62,594,055)
Total	\$ 74,850,182	\$ 72,686,635	\$ 51,380,652	\$ 41,880,167	\$ 126,230,834	\$ 114,566,802

Long-term debt. The Capital Improvement Note, dated April 1, 2009, was entered into for the purpose of constructing a new police facility within the City. During fiscal year 2018, \$2,061,468 was borrowed, the rate reduced, and the note amortization extended until 2028 in order to purchase a custom fire engine and fund the raze and rebuild of Fire Station 36. The debt is secured with a pledge of utility tax revenues and franchise fees. At the end of the current fiscal year, the City owed \$1,136,796 on this note.

The City obtained an unsecured line of credit during 2014 to provide working capital for the CRA. No balance was outstanding as of September 30, 2023.

The Capital Improvement Note, dated July 29, 2021, was entered into for the purpose of constructing the equalization basin and the biosolids projects within the Wastewater Treatment and Water Reclamation Plant of the City. During fiscal year 2021, \$4,750,000 was borrowed. The note will amortize until 2031. The debt is secured with a pledge of the net revenues of the Wastewater Treatment Fund. At the end of the current fiscal year, the City owed \$3,783,708 on this note.

City of Rockledge, Florida
Management's Discussion and Analysis

See Notes 6, 7, and 8 for more information on the City's debt obligations and related pledged revenues.

Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Notes payable	\$ 1,136,796	\$ 1,387,811	\$ 3,783,708	\$ 4,231,686	\$ 4,920,504	\$ 5,619,497
Subscription based technology arrangements	767,935	495,556	263,561	169,486	1,031,496	665,042
Total indebtedness	<u>\$ 1,904,731</u>	<u>\$ 1,883,367</u>	<u>\$ 4,047,269</u>	<u>\$ 4,401,172</u>	<u>\$ 5,952,000</u>	<u>\$ 6,284,539</u>

REQUESTS FOR INFORMATION

Questions about this report or requests for additional financial information should be addressed to:

City of Rockledge
Finance Department
1600 Huntington Lane
Rockledge, FL 32955
321-221-7540

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CITY OF ROCKLEDGE, FLORIDA
Basic Financial Statements

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City of Rockledge, Florida
Statement of Net Position

	Primary Government		
	Governmental	Business-type	
September 30, 2023	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 35,490,835	\$ 12,478,716	\$ 47,969,551
Certificates of deposit	7,181,394	878,238	8,059,632
Bonds	119,595	-	119,595
Receivables	866,398	1,318,032	2,184,430
Accrued interest and other	47,238	9,742	56,980
Prepaid items	327,850	143,329	471,179
Notes and assessments	-	1,252	1,252
Due from other governments	396,130	2,373,344	2,769,474
Internal balances	(474,715)	474,715	-
Leases Receivable	165,810	-	165,810
Inventories	108,735	364,503	473,238
Deposits	3,427	-	3,427
Restricted assets:			
Cash and cash equivalents	332,085	6,808,626	7,140,711
Capital assets:			
Non-depreciable	28,198,849	13,919,731	42,118,580
Depreciable and amortizable (net)	46,651,333	37,460,921	84,112,254
Total assets	119,414,964	76,231,149	195,646,113
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of OPEB expense	39,191	17,448	56,639
Deferred outflows of pension expense	4,376,645	917,401	5,294,046
Total deferred outflow of resources	4,415,836	934,849	5,350,685
LIABILITIES			
Accounts payable	603,275	1,244,987	1,848,262
Accrued liabilities	1,124,399	164,104	1,288,503
Deposits from others	2,000	-	2,000
Contribution payable - pension trust fund	100,890	-	100,890
Unearned grant revenue	5,777,165	-	5,777,165
Non-current liabilities:			
Due within one year:			
Total OPEB liability	28,224	11,314	39,538
Compensated absences	1,076,020	401,352	1,477,372
Subscription based technology arrangements	182,068	66,778	248,846
Notes payable	257,263	456,449	713,712
Due in more than one year:			
Compensated absences	462,065	113,561	575,626
Total OPEB liability	444,525	178,211	622,736
Net pension liability	7,454,463	1,233,838	8,688,301
Subscription based technology arrangements	585,867	196,783	782,650
Notes payable	879,533	3,327,259	4,206,792
Total liabilities	18,977,757	7,394,636	26,372,393
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of deferred revenue	176,974	20,880	197,854
Deferred inflows of leases receivable	171,471	-	171,471
Deferred inflows of pension earnings	635,461	255,129	890,590
Deferred inflows of OPEB earnings	222,049	85,516	307,565
Total deferred inflows of resources	1,205,955	361,525	1,567,480
NET POSITION			
Net investment in capital assets	72,485,905	46,259,177	118,745,082
Restricted for:			
Capital projects	6,877,534	5,305,481	12,183,015
Heritage Foundation	1,792	-	1,792
Renewal and replacement	-	1,812,157	1,812,157
Public safety	328,904	1,028,251	1,357,155
Transportation	22,946	-	22,946
Recreation	47,394	-	47,394
Unrestricted	23,882,613	15,004,771	38,887,384
Total net position	\$ 103,647,088	\$ 69,409,837	\$ 173,056,925

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

City of Rockledge, Florida

Statement of Activities

Year ended September 30, 2023

Program Revenues

Functions/Programs	Expenses	Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental activities:				
General government	\$ 2,129,468	\$ 91,116	\$ -	\$ 239,351
Administrative services	2,007,505	-	-	-
Mayor and City Council	66,600	-	-	-
City attorney	226,586	-	-	-
Police	7,710,081	426,624	16,716	452,786
Fire	5,181,749	2,750	-	596,301
Public works	4,176,841	25,068	-	4,660,331
Planning and development	393,417	226,290	-	-
Total governmental activities	21,892,247	771,848	16,716	5,948,769
Business-type activities:				
Wastewater system	5,501,898	5,597,154	-	5,541,776
Sanitation services	3,848,922	4,169,410	15,470	-
Stormwater utility	968,818	1,284,310	-	722
Sanitation Impact Fee	-	178,353	-	-
Building Department	457,708	1,249,555	-	-
Total business-type activities	10,777,346	12,478,782	15,470	5,542,498
Total primary government	\$ 32,669,593	\$ 13,250,630	\$ 32,186	\$ 11,491,267

General revenues:

Taxes:

Property taxes

Gas tax

Sales tax

Franchise fees

State revenue sharing (restricted)

State revenue sharing (unrestricted)

Public services taxes

Communication services taxes

Fines and forfeitures

Investment earnings

Miscellaneous

Gain (loss) on sale of capital assets

Transfers, net

Total general revenues

Change in net position

Net position, beginning of year

Net position, end of year

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (1,799,001)	\$ -	\$ (1,799,001)
(2,007,505)	-	(2,007,505)
(66,600)	-	(66,600)
(226,586)	-	(226,586)
(6,813,955)	-	(6,813,955)
(4,582,698)	-	(4,582,698)
508,558	-	508,558
(167,127)	-	(167,127)
(15,154,914)	-	(15,154,914)
-	5,637,032	5,637,032
-	335,958	335,958
-	316,214	316,214
-	178,353	178,353
-	791,847	791,847
-	7,259,404	7,259,404
(15,154,914)	7,259,404	(7,895,510)
12,894,707	-	12,894,707
970,171	-	970,171
2,057,675	-	2,057,675
2,263,240	-	2,263,240
605,395	-	605,395
1,493,344	-	1,493,344
2,982,128	-	2,982,128
1,064,571	-	1,064,571
78,184	-	78,184
584,656	204,453	789,109
126,154	3,315	129,469
(68,606)	31,972	(36,634)
(3,249,466)	3,249,466	-
21,802,153	3,489,206	25,291,359
6,647,239	10,748,610	17,395,849
96,999,849	58,661,227	155,661,076
\$ 103,647,088	\$ 69,409,837	\$ 173,056,925

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

City of Rockledge, Florida

Balance Sheet – Governmental Funds

					Total
September 30, 2023	General	CRA	ARPA	Nonmajor Funds	Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 18,891,732	\$ 7,142,390	\$ 6,543,683	\$ 75,652	\$ 32,653,457
Certificates of deposit	7,181,394	-	-	-	7,181,394
Bonds	119,595	-	-	-	119,595
Restricted cash and cash equivalents	332,085	-	-	-	332,085
Accounts receivable	864,779	-	-	-	864,779
Accrued interest and other	47,238	-	-	-	47,238
Due from other funds	164,945	-	-	-	164,945
Due from other governments	396,130	-	-	-	396,130
Leases receivable	165,810	-	-	-	165,810
Deposits	3,427	-	-	-	3,427
Inventories	108,735	-	-	-	108,735
Prepaid items	321,719	6,050	-	-	327,769
Total assets	\$ 28,597,589	\$ 7,148,440	\$ 6,543,683	\$ 75,652	\$ 42,365,364
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 204,861	\$ 398,414	\$ -	\$ -	\$ 603,275
Accrued payroll and related liabilities	591,340	-	-	-	591,340
Due to other funds	-	-	639,660	-	639,660
Deposits from others	2,000	-	-	-	2,000
Contributions payable - pension trust fund	100,890	-	-	-	100,890
Unearned grant revenue	-	-	5,777,165	-	5,777,165
Total liabilities	899,091	398,414	6,416,825	-	7,714,330
Deferred inflows of resources:					
Deferred inflows of deferred revenue	176,974	-	-	-	176,974
Deferred inflows of leases receivable	171,471	-	-	-	171,471
Total deferred inflows of resources	348,445	-	-	-	348,445
Fund balances:					
Nonspendable:					
Inventories and prepaids	430,454	6,050	-	-	436,504
Restricted for:					
Public safety	278,323	-	-	50,581	328,904
Heritage Foundation	-	-	-	1,792	1,792
Capital improvements	6,700	6,743,976	126,858	-	6,877,534
Transportation impact	-	-	-	22,946	22,946
Recreation	47,061	-	-	333	47,394
Assigned for subsequent years budget	1,420,127	-	-	-	1,420,127
Unassigned	25,167,388	-	-	-	25,167,388
Total fund balances	27,350,053	6,750,026	126,858	75,652	34,302,589
Total liabilities, deferred inflows of resources, and fund balances	\$ 28,597,589	\$ 7,148,440	\$ 6,543,683	\$ 75,652	\$ 42,365,364

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

City of Rockledge, Florida

Reconciliation of Fund Balance of Governmental Funds to Net Position of Governmental Activities

September 30, 2023

Total fund balance of governmental funds		\$ 34,302,589
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
	Governmental capital assets	\$ 101,404,793
	Less accumulated depreciation	<u>(26,554,611)</u>
		74,850,182
Deferred outflow of resources related to pension expense are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		4,376,645
Deferred outflow of resources related to OPEB expense are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		39,191
Deferred inflow of resources related to pension earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(635,461)
Deferred inflow of resources related to OPEB earnings are not recognized in governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		(222,049)
Internal service funds are used by the City to charge the cost of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		2,306,019
Long-term liabilities, including net OPEB obligation, net pension liability and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
	Net pension liability	\$ (7,454,463)
	Subscription based technology arrangements	\$ (767,935)
	Notes payable	(1,136,796)
	Compensated absences	(1,538,085)
	Other postemployment benefits	<u>(472,749)</u>
		(11,370,028)
Net position of governmental activities		<u>\$ 103,647,088</u>

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

City of Rockledge, Florida

**Statement of Revenues, Expenditures and Changes in Fund Balances -
Governmental Funds**

<i>Year ended September 30, 2023</i>	General	CRA	ARPA	Nonmajor Funds	Total Governmental Funds
Revenues					
Property taxes	\$ 11,637,131	\$ 1,257,576	\$ -	\$ -	\$ 12,894,707
Utility taxes	2,982,128	-	-	-	2,982,128
Communication Service taxes	1,064,571	-	-	-	1,064,571
Franchise fees	2,263,240	-	-	-	2,263,240
Licenses, permits and fees	229,040	-	-	-	229,040
Intergovernmental	5,158,407	-	5,919,022	-	11,077,429
Charges for services	542,809	-	-	-	542,809
Fines and forfeitures	57,150	-	-	3,086	60,236
Interest	349,523	74,348	122,092	671	546,634
Net increase (decrease) in the fair value of investments	38,022	-	-	-	38,022
Miscellaneous revenue	124,926	1,226	-	-	126,152
Total revenues	24,446,947	1,333,150	6,041,114	3,757	31,824,968
Expenditures					
Current:					
General government	1,668,302	-	-	62	1,668,364
Administrative services	2,024,592	-	-	-	2,024,592
Mayor and City Council	66,600	-	-	-	66,600
City attorney	209,500	17,100	-	-	226,600
Police	7,360,961	-	-	-	7,360,961
Fire	5,268,026	-	-	-	5,268,026
Public works	4,272,203	-	-	-	4,272,203
Planning and development	-	2,062,030	-	-	2,062,030
Debt service	483,315	-	-	-	483,315
Total expenditures	21,353,499	2,079,130	-	62	23,432,691
Excess (deficiency) of revenues over (under) expenditures	3,093,448	(745,980)	6,041,114	3,695	8,392,277
Other financing sources (uses)					
Transfers in	2,663,606	1,912,262	-	-	4,575,868
Subscription based technology arrangements	487,294	-	-	-	487,294
Transfers out	(1,906,312)	-	(5,919,022)	-	(7,825,334)
Sale of capital assets	18,645	-	-	-	18,645
Net other financing sources (uses)	1,263,233	1,912,262	(5,919,022)	-	(2,743,527)
Net change in fund balances	4,356,681	1,166,282	122,092	3,695	5,648,750
Fund balances, beginning of year	22,993,372	5,583,744	4,766	71,957	28,653,839
Fund balances, end of year	\$ 27,350,053	\$ 6,750,026	\$ 126,858	\$ 75,652	\$ 34,302,589

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

City of Rockledge, Florida

**Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities**

Year Ended September 30, 2023

Net change in fund balances - total governmental funds		\$ 5,648,750
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlay in the current period.		
Expenditures for capital assets	\$ 4,641,188	
Capital Assets granted to City	32,590	
Less current year depreciation and amortization	<u>(2,422,980)</u>	2,250,798
In the statement of activities, only the gain or loss on the sale of capital assets are reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balances by the cost of the capital assets sold or disposed.		
Cost of capital assets	\$ (681,123)	
Depreciation and amortization expense	<u>593,872</u>	(87,251)
Issuance of long-term debt, inclusive of subscription based technology arrangements is an other financing source in the governmental funds, but increases long-term liabilities in the statement of net position.		(487,294)
Satisfaction of subscription based technology arrangement liabilities are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		214,915
Repayment of note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		251,015
Compensated absences are reported in the statement of activities when earned. As they do not require the use of current financial resources, they are not reported as expenditures on governmental funds until they have matured. This is the amount of compensated absences reported in the statement of activities in the prior year that has matured in the current year.		(39,411)
Other postemployment benefit obligations reported in the statement of activities does not require the use of current financial resources; therefore, is not reported as an expenditure in governmental funds.		2,307
Cash pension contributions reported in the funds were less than the calculated pension expense on the statement of activities and therefore increase the net position.		(1,182,706)
Internal service funds are used by the City to charge the costs of health insurance to individual funds. The change in net position of internal service funds are reported with governmental activities.		<u>76,116</u>
Change in net position of governmental activities		<u>\$ 6,647,239</u>

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

City of Rockledge, Florida
Statement of Net Position - Proprietary Funds

<i>September 30, 2023</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 4,754,153	\$ 3,230,169	\$ 3,113,567	\$ 1,380,827
Certificates of deposit	629,238	249,000	-	-
Accrued interest	-	9,742	-	-
Accounts receivable	687,465	481,958	148,609	-
Assessments receivable	-	-	1,252	-
Prepaid items	79,120	57,440	5,204	1,565
Due from other governments	2,006,267	278,199	88,878	-
Due from other funds	474,715	-	-	-
Inventory	212,520	7,682	144,301	-
Total current assets	8,843,478	4,314,190	3,501,811	1,382,392
Noncurrent assets:				
Restricted noncurrent assets:				
Cash and cash equivalents	6,808,626	-	-	-
Total restricted assets	6,808,626	-	-	-
Capital assets:				
Land	776,414	5,201	2,896,296	-
Subscription based technology arrangements	196,671	20,700	20,700	107,387
Construction in progress	10,241,820	-	-	-
Buildings	13,569,799	9,102	-	-
Infrastructure	60,352	-	2,836,358	-
Machinery and equipment	8,265,770	629,699	932,176	-
Vehicles	2,045,141	3,788,637	1,032,125	-
Wastewater and transmission lines and facilities	32,155,948	-	11,657,186	-
	67,311,915	4,453,339	19,374,841	107,387
Less accumulated amortization	(64,622)	(6,900)	(6,900)	(30,193)
Less accumulated depreciation	(29,760,713)	(2,976,160)	(7,021,342)	-
Total capital assets, net of accumulated amortization and depreciation	37,486,580	1,470,279	12,346,599	77,194
Total noncurrent assets	44,295,206	1,470,279	12,346,599	77,194
Total assets	53,138,684	5,784,469	15,848,410	1,459,586
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflow of OPEB expense	6,117	10,076	637	618
Deferred outflow of pension expenses	301,400	470,874	-	145,127
Total deferred outflow of resources	307,517	480,950	637	145,745

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

Governmental Activities - Internal Service		Total	Fund
\$	12,478,716	\$	2,837,378
	878,238		-
	9,742		-
	1,318,032		1,619
	1,252		-
	143,329		81
	2,373,344		-
	474,715		-
	364,503		-
	<u>18,041,871</u>		<u>2,839,078</u>
	<u>6,808,626</u>		<u>-</u>
	<u>6,808,626</u>		<u>-</u>
	3,677,911		-
	345,458		-
	10,241,820		-
	13,578,901		-
	2,896,710		-
	9,827,645		-
	6,865,903		-
	<u>43,813,134</u>		<u>-</u>
	91,247,482		-
	(108,615)		-
	<u>(39,758,215)</u>		<u>-</u>
	<u>51,380,652</u>		<u>-</u>
	<u>58,189,278</u>		<u>-</u>
	<u>76,231,149</u>		<u>2,839,078</u>
	17,448		-
	<u>917,401</u>		<u>-</u>
	<u>934,849</u>		<u>-</u>

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

City of Rockledge, Florida
Statement of Net Position - Proprietary Funds (Continued)

	Business-type Activities - Enterprise Funds			
<i>September 30, 2023</i>	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
LIABILITIES				
Current liabilities (payable from current assets):				
Accounts payable	1,168,248	42,267	25,332	9,140
Accrued payroll and related liabilities	71,041	74,654	7,761	10,648
Compensated absences	204,026	164,798	14,004	18,524
Claims payable	-	-	-	-
Current portion of total OPEB Liability	4,273	6,164	474	403
Current portion of note payable	456,449	-	-	-
Current portion of subscription based technology arrangements	37,812	4,798	4,798	19,370
Total current liabilities	1,941,849	292,681	52,369	58,085
Noncurrent liabilities:				
Compensated absences due after one year	84,251	5,288	3,632	20,390
Total OPEB liability due after one year	67,306	97,082	7,472	6,351
Net pension liability	486,439	645,088	18,698	83,613
Note payable due after one year	3,327,259	-	-	-
Subscription based technology arrangement due after one year	123,513	11,175	11,175	50,920
Total noncurrent liabilities	4,088,768	758,633	40,977	161,274
Total liabilities	6,030,617	1,051,314	93,346	219,359
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of deferred revenue	20,880	-	-	-
Deferred inflows of pension earnings	80,592	125,908	9,823	38,806
Deferred inflows of OPEB earnings	34,024	44,488	4,005	2,999
Total deferred inflows of resources	135,496	170,396	13,828	41,805
NET POSITION				
Net investment in capital assets	32,467,341	1,454,306	12,330,626	6,904
Restricted for:				
Public Safety	-	-	-	1,028,251
Renewal and replacement	1,812,157	-	-	-
Capital projects	4,996,469	-	-	309,012
Unrestricted	8,004,121	3,589,403	3,411,247	-
Total net position	\$ 47,280,088	\$ 5,043,709	\$ 15,741,873	\$ 1,344,167

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

	Governmental Activities - Internal Service Fund
Total	
1,244,987	-
164,104	-
401,352	-
-	533,059
11,314	-
456,449	-
66,778	-
2,344,984	533,059
113,561	-
178,211	-
1,233,838	-
3,327,259	-
-	-
196,783	-
5,049,652	-
7,394,636	533,059
20,880	-
255,129	-
85,516	-
361,525	-
46,259,177	-
1,028,251	-
1,812,157	-
5,305,481	-
15,004,771	2,306,019
\$ 69,409,837	\$ 2,306,019

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

City of Rockledge, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position –
Proprietary Funds

<i>Year ended September 30, 2023</i>	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
Operating revenues:				
Charges for services	\$ 4,867,986	\$ 4,169,410	\$ -	\$ 1,427,908
Intergovernmental	-	15,470	-	-
Fees	729,168	-	1,284,310	-
Miscellaneous revenue	-	-	-	3,315
Total operating revenues	5,597,154	4,184,880	1,284,310	1,431,223
Operating expenses:				
Salaries, wages and employee benefits	2,281,532	2,347,288	244,866	269,046
Contractual, materials, and supplies	1,023,867	992,532	157,721	145,966
Insurance claims and expense	-	-	-	-
Depreciation	1,500,455	201,722	451,959	-
Amortization	64,622	6,900	6,900	30,193
Repairs and maintenance	554,197	300,480	106,407	7,395
Total operating expenses	5,424,673	3,848,922	967,853	452,600
Operating income (loss)	172,481	335,958	316,457	978,623
Nonoperating revenues (expenses):				
Interest income	132,549	35,456	20,173	10,761
Net increase (decrease) in the fair value of investments	5,514	-	-	-
Interest expense	(77,225)	-	(965)	(5,108)
Gain(loss) on sale of capital assets	(2,052)	27,055	6,969	-
Total nonoperating revenues (expenses)	58,786	62,511	26,177	5,653
Income (loss) before contributions	231,267	398,469	342,634	984,276
Capital contributions	5,541,776	-	722	-
Transfers in	2,948,710	237,564	542,192	-
Transfers out	(190,000)	(123,000)	(83,000)	(83,000)
Change in net position	8,531,753	513,033	802,548	901,276
Net position, beginning of year	38,748,335	4,530,676	14,939,325	442,891
Net position, end of year	\$ 47,280,088	\$ 5,043,709	\$ 15,741,873	\$ 1,344,167

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

	Governmental	
	Total	Activities - Internal Fund
\$ 10,465,304	\$ 2,765,099	
15,470	-	
2,013,478	-	
3,315	-	
12,497,567	2,765,099	
5,142,732	-	
2,320,086	-	
-	2,713,967	
2,154,136	-	
108,615	-	
968,479	-	
10,694,048	2,713,967	
1,803,519	51,132	
198,939	24,984	
5,514	-	
(83,298)	-	
31,972	-	
153,127	24,984	
1,956,646	76,116	
5,542,498	-	
3,728,466	-	
(479,000)	-	
10,748,610	76,116	
58,661,227	2,229,903	
\$ 69,409,837	\$ 2,306,019	

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

City of Rockledge, Florida
Statement of Cash Flows - Proprietary Funds

	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
<i>Year Ended September 30, 2023</i>				
Cash flows from operating activities:				
Cash received from customers for sales and services	\$ 4,117,779	\$ 4,081,552	\$ 1,260,082	\$ 1,431,223
Cash payments to employees	(2,147,393)	(2,221,833)	(247,883)	(224,921)
Cash payments to suppliers for goods and services	(1,690,780)	(1,453,463)	(553,160)	(285,737)
Cash payments for insurance and claims expenses	-	-	-	-
Net cash provided by operating activities	279,606	406,256	459,039	920,565
Cash flows from noncapital financing activities:				
Cash transfers out to other funds	(190,000)	(123,000)	(83,000)	(83,000)
Net cash provided by (used in) noncapital financing activities	(190,000)	(123,000)	(83,000)	(83,000)
Cash flows from capital and related financing activities:				
Acquisition of capital assets	(10,723,583)	(242,858)	(625,790)	-
Cash transfers in from other funds	3,014,136	230,664	772,492	-
Proceeds for capital grants and contributions	5,541,776	-	722	-
Proceeds from sale of capital assets	2,915	27,055	6,969	-
Principal paid on long-term liabilities	(483,324)	(4,727)	(4,727)	(37,097)
Interest paid on long-term debt, net of subsidy	(77,225)	-	(965)	(5,108)
Net cash provided by (used in) capital and related financing activities	(2,725,305)	10,134	148,701	(42,205)
Cash flows from investing activities:				
Investment income	138,063	26,163	20,173	10,761
Proceeds from sale/maturity of investments	194,385	-	-	-
Net cash provided by (used in) investing activities	332,448	26,163	20,173	10,761
Net increase (decrease) in cash and cash equivalents	(2,303,251)	319,553	544,913	806,121
Cash and cash equivalents, beginning of year	13,866,030	2,910,616	2,568,654	574,706
Cash and cash equivalents, end of year	\$ 11,562,779	\$ 3,230,169	\$ 3,113,567	\$ 1,380,827

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

	Governmental Activities - Internal Service	Fund
Total		
\$ 10,890,636	\$ 2,766,420	
(4,842,030)	-	
(3,983,140)	-	
-	(2,587,735)	
2,065,466	178,685	
(479,000)	-	
(479,000)	-	
(11,592,231)	-	
4,017,292	-	
5,542,498	-	
36,939	-	
(529,875)	-	
(83,298)	-	
(2,608,675)	-	
195,160	24,984	
194,385	-	
389,545	24,984	
(632,664)	203,669	
19,920,006	2,633,709	
\$ 19,287,342	\$ 2,837,378	

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

City of Rockledge, Florida
Statement of Cash Flows - Proprietary Funds (Continued)

	Business-type Activities - Enterprise Funds			
	Wastewater System	Sanitation Services	Stormwater Utility	Nonmajor Funds
<i>Year Ended September 30, 2023</i>				
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 172,481	\$ 335,958	\$ 316,457	\$ 978,623
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization	1,565,077	208,622	458,859	30,193
Change in assets and liabilities:				
(Increase) decrease in assets:				
Accounts receivable	(59,563)	(79,296)	(13,432)	-
Due from other governments	(1,423,772)	(24,032)	(10,796)	(600)
Inventory	(34,891)	10,388	(18,185)	-
Prepaid items	(29,326)	(16,267)	(3,710)	597
Deferred outflows of OPEB expense	4,953	5,547	594	180,266
Deferred outflows of pension expenses	272,939	293,358	21,423	(139,989)
Increase (decrease) in liabilities:				
Accounts payable	(48,499)	(154,572)	(267,137)	(132,373)
Accrued payroll and related liabilities	38,638	20,281	(14,309)	29,768
Accrued claims payable	-	-	-	-
Net OPEB obligation	(12,577)	(14,086)	(1,509)	(1,006)
Net pension liability	(127,263)	(140,161)	(15,048)	(19,102)
Deferred inflows of pension earnings	(49,832)	(47,638)	4,958	(6,394)
Deferred inflows of OPEB earnings	7,281	8,154	874	582
Deferred inflows of deferred revenue	3,960	-	-	-
Total adjustments	107,125	70,298	142,582	(58,058)
Net cash provided by operating activities	\$ 279,606	\$ 406,256	\$ 459,039	\$ 920,565

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

	Governmental Activities - Internal Service Fund
Total	Fund
\$ 1,803,519	\$ 51,132
2,262,751	-
(152,291)	1,321
(1,459,200)	-
(42,688)	-
(48,706)	(81)
191,360	-
447,731	-
-	-
(602,581)	-
74,378	-
-	126,313
(29,178)	-
(301,574)	-
(98,906)	-
16,891	-
3,960	-
261,947	127,553
\$ 2,065,466	\$ 178,685

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

City of Rockledge, Florida
Statement of Fiduciary Net Position - Fiduciary Funds

<i>September 30, 2023</i>	Employee Pension Trust Funds
ASSETS	
Cash and cash equivalents	\$ 789,147
Contributions receivable	87,931
Due from police employees plan	1,266
Interest receivable	31,903
Investments, at fair value:	
U.S. government obligations	2,118,018
Domestic corporate bonds	376,371
Government agency notes	3,030,972
Domestic stocks	35,596,696
Infrastructure	6,767,087
Real estate	4,646,820
Total investments	52,535,964
Total assets	53,446,211
LIABILITIES	
Prepaid contributions	1,053,142
Due to general employees plan	1,266
Total liabilities	1,054,408
NET POSITION	
Restricted for pension benefits	\$ 52,391,803

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

City of Rockledge, Florida
Statement of Changes in Fiduciary Net Position – Fiduciary Funds

<i>Year ended September 30, 2023</i>	Employee Pension Trust Funds
ADDITIONS	
Contributions:	
State	\$ 599,155
Employer	686,070
Employees	691,079
Total contributions	1,976,304
Investment income:	
Net appreciation in the fair value of investments	4,643,940
Interest and dividends	1,217,445
	5,861,385
Less: investment related expense	(221,923)
Net investment income	5,639,462
Total additions (reductions)	7,615,766
DEDUCTIONS	
Benefits paid	3,419,025
Administrative expenses	200,517
Total deductions	3,619,542
Change in net position	3,996,224
Net position restricted for pension benefits, beginning of year	48,395,579
Net position restricted for pension benefits, end of year	\$ 52,391,803

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

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Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Rockledge, Florida (the City), was incorporated in 1887 under the provisions of Florida Statutes, Chapter 166. The current City Code, as adopted in 2002, authorizes the following services: public safety, public utilities, public works, planning and zoning, sanitation, and general administrative services. Education, health, and welfare are administered by other governmental entities.

The accounting policies of the City conform to generally accepted accounting principles (GAAP) as applied to government units. The more significant accounting policies used by the City are described below.

A. REPORTING ENTITY

The City provides a full range of municipal services including police and fire protection, public works activities, parks and recreational facilities, planning and development, financial services, and general administrative services. In addition, the City operates five enterprise funds: Wastewater System, Sanitation Services, Sanitation Impact fee, Stormwater Utility, and Building Department, and an Internal Service Fund for employee health insurance transactions.

The City is a Florida municipal corporation governed by an elected mayor and a six-member council (the "Council"). As required by GAAP, financial statements are to present the City and its component units, which are entities for which the City is considered to be financially accountable or with which the City has an economic relationship. In evaluating the City, the primary government, as a reporting entity, all potential component units that may or may not fall within the financial accountability or economic relationship tests have been addressed. Financial accountability is present if the Council appoints a voting majority of a component unit's governing body and has the ability to impose its will on the organization or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the City. An economic relationship exists when the economic resources received by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents and the primary government (or its component units) has the ability to otherwise access the resources. The concept of the ability to otherwise access resources is broad and is not based on the narrow concept of control. Government Accounting Standards Board (GASB) Statement No. 61 states that this broad concept includes situations where the primary government (or its component units) has received, directly or indirectly, a majority of economic resources provided by the organization, the organization has previously honored requests to provide resources to the primary government, or the other organization is financially interrelated with the primary government.

Blended component units, although legally separate entities are, in substance, part of the City's operations; therefore, data from these units is combined with data of the primary government. Discretely presented component units, on the other hand, are to be reported in separate columns in the combined financial statements to emphasize they are legally separate from the City.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. REPORTING ENTITY (continued)

The accompanying financial statements present all the fund types of the City. The Community Redevelopment Agency (the “CRA”) is an incremental tax district created pursuant to Florida Statutes 163.356 and created by City of Rockledge Resolution (City Resolution) 2002-481. Although legally separate, for financial reporting purposes, the CRA is reported as if it were part of the City’s operations. The City Council approves the annual budget and appoints the Board of Commissioners, who serve as the governing board. City staff perform all accounting and administrative functions for the CRA. The CRA’s services are provided exclusively to the City. The CRA has been presented as a blended component unit classified as a special revenue fund.

Additionally, the Rockledge Heritage Foundation, Inc. (the “Foundation”) is a Florida, not-for-profit corporation dedicated to the preservation of significant historical assets within the City. Historically, the Foundation’s primary focus was the restoration of the Rockledge Municipal Building, which is owned by the City. In Fiscal Year 2019, the bylaws of the Foundation were amended through City Resolution 2000-466, naming the office holders of Rockledge City Manager, Finance Director and Planning Director as the primary board members. Therefore, management of the City of Rockledge has operational responsibility for the Foundation, as addressed in GASB Statement No. 61, 80 and 85. As such, the Rockledge Heritage Foundation meets the criteria of a blended component unit.

There are no discretely presented component units.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely, to a significant extent, on fees and charges for support.

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

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

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due or made.

Property taxes, franchise fees and utility taxes, state revenue sharing, fines and forfeitures, and investment earnings associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when received by the City.

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

The City does not currently employ an indirect cost allocation system. However, the City does charge the Wastewater System, Stormwater Utility, Building Department, and Sanitation Services (enterprise funds) a fee for services provided. These fees serve to approximate the value of services provided these enterprise funds by the General Fund and are not eliminated at year end like a reimbursement. Reimbursements to the General Fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures in the General Fund.

The financial transactions of the City are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues, and expenditures or expenses, as appropriate. The various funds are reported by general classification within the financial statements.

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The City may electively add funds as major funds when it believes such an addition would enhance its financial reporting. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(continued)**

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 CRA accounts for the redevelopment activities within the Redevelopment District.

The American Rescue Plan Act (ARPA) Fund accounts for all financial resources relating to the American Rescue Plan Act of 2021.

Nonmajor Governmental Fund Types

The Special Revenue Funds account for specific revenue sources that are restricted by law or administrative action to expenditures for specific purposes. Nonmajor special revenue funds include the Law Enforcement Education Fund, Transportation Impact Fee Fund, Taylor Park Trust Fund, and Rockledge Heritage Foundation.

Major Proprietary Funds

The Wastewater System Fund accounts for the provision of sewer services to customers within the service area.

The Sanitation Services Fund accounts for the provision of garbage services to customers within the service area.

The Stormwater Utility Fund accounts for the operation and maintenance of the stormwater management activities of the City.

The Insurance Fund is an internal service fund that accounts for the health insurance coverage provided to other City departments on a cost-reimbursement basis.

Nonmajor Proprietary Funds

The Sanitation Impact Fee Fund accounts for the collection and utilization of impact fees related to the cost of garbage services expansion caused by new residential and commercial construction within the service area.

The Building Department (Building) Fund accounts for the provision of building permitting services related to the enforcement of the Florida Building Code within the City.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

**C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION
(continued)**

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

Fiduciary Fund Types

The City's fiduciary funds consist solely of the Pension Trust Funds. These funds account for the activities of the General, Police, and Fire Pension Trust Funds, which accumulate resources for pension benefit payments to City employees. Since these assets are being held for the benefit of pension participants and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

The City has elected to report the budgetary comparison schedules as Required Supplementary Information (RSI). The City does not prepare a budget for the non-major governmental funds, including the Rockledge Heritage Foundation. Please refer to the accompanying notes to the RSI for the City's budgetary information.

The City has no material violation of finance related legal and contractual provisions.

E. USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS

Cash and Cash Equivalents

Except as noted below, the City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

The City maintains a pooled cash account with a local bank which is available for use by all funds, except the Pension Trust Fund. The resulting investment income is allocated based on the respective cash balance of each fund. In the government-wide statement of net position, these amounts are displayed separately for governmental and business-type activities. Individual funds with negative balances at the end of the year are reclassified as "due to other funds" for reporting purposes with an offsetting due from other funds in the General Fund.

The deposits and investments of the Pension Trust Fund are held separately from other City funds by a trustee.

Deposits

The City's and Rockledge Heritage Foundation's pooled cash deposits, with a carrying amount of \$39,951,704 , and \$1,792, respectively, its deposits in the CRA and ARPA escrow accounts of \$5,252,354 and \$6,543,683, its extensive investment in insured bank deposits of \$3,360,079, certificates of deposits of \$8,059,632, and treasury bonds of \$119,595, are covered by federal depository insurance (FDIC), by deposits held in banks that are members of the State of Florida's collateral pool, and / or backed by the full faith and credit of the United States of America. In addition, the City holds \$650 of petty cash. The Florida collateral pool is a multiple institution pool with the authority to assess member institutions in the event of any collateral shortfall. For this reason, the City considers these deposits insured. The cash and cash equivalents listed above are exempt from fair market value hierarchy requirements of GASB 72, as discussed below in this note.

Investments

The City's investments consist of certificates of deposit and United States Treasury Bonds, which are held to maturity. The certificates of deposits are valued at fair value per GASB 72.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Local Investment Policy

The City has a local investment policy that mirrors the state statutes. State statutes and related City ordinances authorize the City to invest in direct obligations of the U.S. Treasury, federal agencies and instrumentalities, savings accounts, and certificates of deposit which are insured or held in state qualified depositories, repurchase agreements, money market funds registered with the Securities and Exchange Commission and possessing the highest credit rating from a nationally recognized rating agency, and the State Board of Administration's Local Government Surplus Funds Trust Fund. Investments are reported at fair value.

- (1) *Interest Rate Risk* - To mitigate interest rate risk, the City's investment policy requires that the investment portfolio be structured with securities that maintain the greatest degree of liquidity and flexibility. The portfolio will maintain a structure with maturities staged to meet the City's obligations as they come due. None of the City's funds will be invested beyond five years in any security.
- (2) *Credit Risk* - To mitigate credit risk, the City primarily invests in U.S. Government securities and FDIC insured certificates of deposit.
- (3) *Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the City.
- (4) *Concentration of Credit Risk* - The City's investment policy requires that investments be diversified by security type and institution. No more than 50% of the City's funds will be invested with the same issuer, except direct obligations of the U. S. Treasury. No more than 50% of the City's funds will be invested through the same investment institution or dealer.

Pension Investment Policy

The pension funds have much broader investment policies. They may invest in stocks, bonds, investment trusts, common trust funds, mutual funds, mortgages, and others without restriction except that the plans prohibit investment in any one corporation in an amount that exceeds 5% of that plan's assets; nor shall the aggregate of its investments in stock exceed 75% of total assets. A specific city ordinance created each pension fund. Investment policies for each of the three pension trust funds are determined by the Board of Trustees for each respective fund. For each fund, no more than 5% of fund assets may be invested in the securities (of whatever type) of any one issuing company, excluding the U. S. Government and its agencies. No investment may exceed 5% of the outstanding capital stock of any one company. The aggregate investments in common and capital stock and convertible securities (at cost) may not exceed 75% of the assets of the funds. Each fund maintains a list of prohibited investment security types.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement

Investments are stated at fair value. Changes in the fair value during the year are included in investment income or loss. GASB 72, *Fair Value Measurements*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The hierarchy is based on the valuation inputs used to measure the fair value of the asset, as determined by the City's investment advisors.

The three levels of the fair value hierarchy under GASB 72 are described as follows:

- Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.
- Level 2: Inputs to the valuation methodology include:
- quoted prices for similar assets or liabilities in active markets;
 - quoted prices for identical or similar assets or liabilities in inactive markets;
 - inputs other than quoted prices that are observable for the asset or liability;
 - inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2023.

Equities: Includes common stock which is valued at publicly traded market prices.

US Real Estate Investment: The Real Estate Investments, included in the City's General Employees, Police Officers, and Firefighters Defined Benefit Plans, consists of two funds that are blended in nature. Each are valued at the net asset value of the units held at the end of the period based upon the fair value of the underlying investments in the pooled investment fund.

Infrastructure Investment: The Infrastructure Investments, included in the City's General Employees, Police Officers, and Firefighters Defined Benefit Plans is valued at the net asset value of the units held at the end of the period, based upon the fair value of the underlying investments.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair Value Measurement

Fixed income funds and Certificates of Deposit: Valued using pricing models maximizing the use of observable inputs of similar securities. This includes basing value on yield currently available on comparable securities of issuers with similar credit ratings.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

The following table sets forth by level, within the fair value hierarchy, the City's assets at fair value as of September 30, 2023:

	Maturity Date				
	1-5	Over			
	Years	Five Years	Fair Value	Rating	Level
Primary government:					
Certificates of Deposit	\$ 8,059,632	\$ -	\$ 8,059,632	Not rated	L2
Bonds - U.S. Government	119,595	-	119,595	Not rated	L2
Total Investments	<u>\$ 8,179,227</u>	<u>\$ -</u>	<u>\$ 8,179,227</u>		
	Maturity Date				
	1-5	Over			
	Years	Five Years	Fair Value	Rating	Level
General employees:					
U.S. Government securities	\$ 378,261	\$ 557,870	\$ 936,131	Not rated	L2
Federal agencies	-	1,279,714	1,279,714	AAA	L2
Corporate bonds and notes	-	143,559	143,559	Baa - AAA	L2
Total	<u>\$ 378,261</u>	<u>\$ 1,981,143</u>	2,359,404		
Investments not subject to categorization:					
Real Estate			1,811,888	Not rated	L3
Infrastructure			2,661,262	Not rated	L3
Common stocks			14,339,719	Not rated	L1
Total investments			<u>\$ 21,172,273</u>		
Police officers:					
U.S. Government securities	\$ 273,450	\$ 394,753	\$ 668,203	Not rated	L2
Federal agencies	-	973,558	973,558	AAA	L2
Corporate bonds and notes	-	125,216	125,216	Baa - AAA	L2
Total	<u>\$ 273,450</u>	<u>\$ 1,493,527</u>	1,766,977		
Investments not subject to categorization:					
Real Estate			1,577,700	Not rated	L3
Infrastructure			2,323,768	Not rated	L3
Common stocks			12,063,034	Not rated	L1
Total investments			<u>\$ 17,731,479</u>		
Firefighter employees:					
U.S. Government securities	\$ 196,371	\$ 317,313	\$ 513,684	Not rated	L2
Federal agencies	-	777,700	777,700	AAA	L2
Corporate bonds and notes	-	107,596	107,596	Baa - AAA	L2
Total	<u>\$ 196,371</u>	<u>\$ 1,202,609</u>	1,398,980		
Investments not subject to categorization:					
Real Estate			1,257,232	Not rated	L3
Infrastructure			1,782,057	Not rated	L3
Common stocks			9,193,943	Not rated	L1
Total investments			<u>\$ 13,632,212</u>		

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. DEPOSITS AND INVESTMENTS (continued)

Fair value of Investments in Entities that use Net Asset Value (NAV)

The following table summarizes investments measured at fair value based on NAV per share as of September 30, 2023.

	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Real Estate	\$4,646,820	N/A	Quarterly	30 days
Infrastructure	\$6,767,087	N/A	3-year lockout	120 days

- (1) *Interest Rate Risk* - To mitigate interest rate risk, the funds' investment policy requires that the portfolio be structured with sufficient liquidity to meet the funds' obligations as they come due.
- (2) *Credit Risk* - The three (3) pension trust funds each hold cash in their respective fund accounts. To mitigate credit risk, the time, savings, and money market deposits of each fund in an institution may not exceed the Federal Deposit Insurance Corporation (FDIC) insurance coverage held by that institution for those amounts.
- (3) *Custodial Risk* - To mitigate custodial risk, all cash and securities are held in accounts bearing the name of the respective fund. Securities in such accounts, even though held in the "street name" are considered held in the name of the fund. Fund managers are required to carry errors and omissions insurance coverage.
- (4) *Concentration of Credit Risk* - Each of the investment policies requires that investments be diversified by security type. Each fund has a manager tasked to invest the fund assets in a diversified portfolio of equities, fixed income, and cash equivalent securities. Each fund has an independent investment consultant to evaluate the performance of the investment manager.

G. RECEIVABLES

For the Wastewater System, Sanitation Services, and Stormwater Utility Funds, operating revenues are generally recognized on the basis of cycle billings rendered monthly. The amount of services delivered for the period from the last billing date to September 30, 2023 (unbilled receivable), is estimated and accrued at year end. The City deems all amounts collectable, therefore an allowance for doubtful accounts is not necessary. If payments are not received from customers, services are shut off and deposits are applied against negative balances.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. LEASE RECEIVABLES

The City's lease receivables are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue or other factors. The variable payments are recorded as an inflow of resources in the period the payment is received. The City has not issued any debt for which the principal and interest payments are secured by lease payments from lessees. If enumerated within the contract, the present value of lease payments is calculated based on the explicit contract rate, if not, then the present value is calculated utilizing the City's incremental borrowing rate at the contract's effective date.

I. PROPERTY TAXES

Under Florida law, the assessment of all properties and the collection of all City property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the State of Florida regulating tax assessment are also designed to assure a consistent property valuation method statewide. State statutes permit cities to levy property taxes at a rate of up to ten mills. The operating millage rate in effect for the fiscal year ended September 30, 2023, was 5.82 mills.

All property is assessed according to its fair market value on January 1 of each year and, at that time, a lien is placed on the property for the taxes. The tax levy of the City is established by the Council before October 1 of each year and the Brevard County Property Appraiser incorporates the City's millage into the total tax levy, which also includes Brevard County, the Brevard County School Board, Florida Inland Navigation District, and the St. Johns Water Management District's tax requirements.

The following procedures were completed on or about the dates listed during the property tax levy process.

July - The Brevard County Property Tax Appraiser (the County Property Appraiser) forwarded to the City a certification of value of all real property within the City's boundaries which included the current year's taxable values, new construction, annexations, deletions, prior year taxable value, prior year millage rates, prior year ad valorem tax proceeds, and roll-back rates.

July - The Council sets the current year millage rate at not more than 110% of the rolled-back millage rate.

August - Notices of the proposed ad valorem tax assessments were mailed to each property owner by the County Property Appraiser.

September - As required by the State of Florida, a public meeting is held within 80 days of receipt of the certification of value to consider the budget and ad valorem tax millage rate. Within 15 days of the meeting at which the Council adopted a tentative budget, the City advertised its intent to adopt a final budget and millage rate. A final budget and millage rate hearing was held during which the Council set the current year's millage rate.

November - Tax notices were mailed to each property owner by the County Property Appraiser's office.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. PROPERTY TAXES (continued)

All taxes are billed on November 1 of each year or as soon thereafter as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. The taxes paid in March are without a discount.

On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold certificates are held by the County.

J. INVENTORIES

Inventories held by the General, Stormwater Utility, Wastewater System, and Sanitation Services Funds consist principally of chemicals, maintenance supplies, gas, and diesel fuel. The costs of inventories are reported as expenditures when consumed rather than purchased and adjustments are made at year-end to reflect actual physical inventory. All inventories of the General Fund are reflected as nonspendable within the fund balance. Inventories are valued at lower cost or market, using a first-in, first-out flow assumption.

K. CAPITAL ASSETS

Property, plant, and equipment purchased or acquired are carried at the historical cost or the estimated historical cost. Donated capital assets, donated works of art, and capital assets, including those received in a service concession arrangement, are recorded at the acquisition value as of the date received. Subscription based technology arrangements are measured at the present value of implementation costs, the fixed payments and variable subscription payments that depend on a defined rate or index, along with incentives or costs for cancellation. These costs are discounted at the contractual rate or the incremental borrowing rate of the City at measurement or remeasurement. During fiscal year 2021, the City revised its policies controlling capital assets, raising the value that defines capital assets as assets with an initial, individual cost greater than or equal to \$5,000, and an estimated useful life in excess of one year. The prior definition included assets with an initial cost of more than \$1,000. The costs of normal maintenance and repairs, that do not add to the value of the asset or materially extend asset lives, are not capitalized. Capital assets are depreciated or amortized using the straight-line method over the following useful lives:

<u>Years</u>	<u>Asset Category</u>
10 – 40	Buildings
10 – 40	Improvements other than buildings
3 – 20	Machinery and equipment
4 – 20	Vehicles (including heavy equipment)
40	Infrastructure
20 – 40	Waste and transmission lines and facilities
Shorter of Useful life or contract	Subscription based technology arrangements

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. PREPAID ITEMS

Prepaid items represent payments to vendors for services that will benefit the City beyond September 30, 2023. These payments are recorded as expenditures or expenses when utilized rather than when cash is paid to the respective vendor.

M. DEFERRED OUTFLOWS OF RESOURCES

This separate financial statement element, deferred outflows of resources, represents consumption of net assets that applies to future periods. The City currently has deferred outflows of pension expenses and OPEB expenses that meet this criteria. Deferred outflows of pension expenses and OPEB expenses represent differences between actual pension experiences and actuarial assumptions. These will be charged to pension and OPEB expense over the actuarial assumption's timeline.

N. LONG-TERM DEBT

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Funds held for debt issued to fund capital assets that has not expended are reported as restricted cash, and are a component of restricted net position. As of September 30, 2023, the City held no amount of debt proceeds received, but not expended.

O. ACCRUED LIABILITIES

The City records accrued liabilities at year end based upon the amounts of incurred but not paid payroll due to the City's employees due to the timing of payroll periods.

P. UNEARNED REVENUE

Unearned revenue includes amounts collected before the revenue recognition criteria are met. The unearned items consist primarily of grant funds received that have not yet been expended for the required purpose.

Q. ACCUMULATED UNUSED COMPENSATED ABSENCES

The City records the vested portion of accumulated compensated absences at year end based on each employee's accumulated unused hours and rate of pay. All compensated absences are accrued when incurred in the government-wide and proprietary 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.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. SUBSCRIPTION BASED TECHNOLOGY ARRANGEMENTS

The City records subscription based technology arrangement liabilities at the commencement of a contract that conveys control of the right to use another party's (a SBITA vendor's) IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the related contract for a period of time in an exchange or exchange-like transaction. The City discounts the costs related to the fixed payments, variable payments that are fixed in substance or tied to a rate or index, incentives, cancellation costs, and other reasonably certain costs. These costs are discounted at the rate within the related contract, or at the City's incremental borrowing rate if no such rate is enumerated.

S. OTHER POSTEMPLOYMENT BENEFITS

The City allows retirees to participate in its employee health insurance program. The City accrues an other postemployment benefit liability for the cost of providing those benefits in the government-wide and enterprise fund financial statements based on actuarial measurement annually.

T. PENSION PLANS

The City sponsors and administers three pension plans covering substantially all the full-time employees. The City's policy is to fund the annual pension costs in the annual budget.

General employees, police officers, and firefighters are enrolled in separate, defined benefit pension plans. Each plan was restated December 4, 2019, with subsequent amendments. Annual costs of the pension plans are actuarially computed using the entry age normal actuarial cost method as described in Note 11.

The City accounts for its pension plans in accordance with GASB Statement No. 67, *Financial Reporting for Pension Plans*, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. These statements require the recording of defined benefit plan investments at market value.

U. DEFERRED INFLOWS OF RESOURCES

This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City currently has deferred inflows of pension and OPEB earnings, leases receivable, and business tax receipts that meet this criteria. Deferred inflows of pension and OPEB revenues represent differences between actual pension experiences and actuarial assumptions. These will be recognized as a reduction of pension and OPEB expense over the actuarial assumption's timeline. The deferred inflows related to leases are associated with amounts owed to the City, as lessor, by entities leasing the City's capital assets.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

V. NET POSITION

Net position of proprietary funds, governmental activities, and business-type activities are made up of three components. Net investment in capital assets represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. Restricted net position represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds, special revenues restricted by statute and ordinance, bond proceeds, and other sources restricted for capital projects or improvements. The remaining balance of net position is considered unrestricted net position.

W. FUND EQUITY

In the fund financial statements, fund balance for governmental funds is reported in classifications that are based on the relative strength of the constraints that control how amounts in the funds can be spent.

Fund balance is reported in the following five components:

Nonspendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements. This would include inventories, advances, and prepaid items.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by third-party (creditors, grantors, contributors) agreements, constitutional provisions, or enabling legislation.

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

Assigned - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. The authority for assigning fund balance is expressed by the City Council, City Manager, or their designee.

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

When both restricted and unrestricted (committed, assigned, and unassigned) fund resources are available for use, it is the City's policy to generally use restricted resources first, and then unrestricted resources. When unrestricted resources are available for use, it is the City's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

X. NET POSITION RESTRICTED BY ENABLING LEGISLATION

In the government-wide financial statements, governmental activities report restricted net position of \$7,278,570. Management has determined that, of this amount, \$328,904 is restricted for public safety purposes by enabling legislation.

Y. IMPLEMENTATION OF GASB PRONOUNCEMENTS

During the fiscal year ended September 30, 2023, the City adopted the following new GASB pronouncements:

GASB Statement 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. This statement was issued March 2020 to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. Statement 94 became effective for the fiscal year ending September 30, 2023. However, the City has no agreements that meet the definition of a PPP or an APA, and therefore, there were no impacts from the implementation of this guidance.

GASB Statement 96, *Subscription-Based Information Technology Arrangements*. This statement was issued May 2020 to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs). Statement 96 became effective for the fiscal year ended September 30, 2023. The City is party to several SBITA involving the use of a third party vendor's software within the City's operations. In implementing this pronouncement, the City recognized amortizable capital assets of SBITAs and subscription based technology arrangement liabilities within its City-wide and proprietary funds' Statements of Net Position. Within the governmental funds' Statement of Revenues, Expenditures and Changes in Fund Balance, an other financing source and an expenditure was recognized for the measured value of the SBITA liabilities that are reconciled between the governmental funds' balance sheets and the City-wide Statement of Net Position, as described in Note 2.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Y. IMPLEMENTATION OF GASB PRONOUNCEMENTS (continued)

GASB Statement 99, *Omnibus 2022*. This statement was issued April 2022 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during the implementation and application of certain GASB Statements. While certain requirements are not effective until the fiscal year ended September 30, 2024, some requirements of GASB Statement 99 were effective upon issuance, and others became effective for the fiscal year ended September 30, 2023. However, the City had no applicable inconsistent accounting practices, and therefore, there were no impacts from the implementation of this guidance.

Z. FUTURE ADOPTION OF NEW GASB PRONOUNCEMENTS

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

GASB Statement 99, *Omnibus 2022*. This statement was issued April 2022 to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. While certain requirements were effective upon issuance and for the fiscal year ended September 30, 2023, other requirements of GASB Statement 99 will be effective for the fiscal year ending September 30, 2024.

GASB Statement 102, *Certain Risk Disclosures*. This statement was issued December 2023 to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a concentration as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

This statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. Statement 102 will be effective for the fiscal year ending September 30, 2025.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Z. FUTURE ADOPTION OF NEW GASB PRONOUNCEMENTS (continued)

The City of Rockledge will implement new GASB pronouncements no later than the required effective date. The City is currently evaluating whether or not the above listed new GASB pronouncements will have a significant impact to the City's financial statements and component units.

Note 2 – CHANGES OF ACCOUNTING PRINCIPLE

In fiscal year 2023, the City implemented GASB 96, *Subscription-Based Information Technology Arrangements*. In accordance with generally accepted accounting principles, the implementation of this statement did not require the restatement of the September 30, 2022 net position or fund balance in the statements of activities or statement of revenues, expenditures, and changes in fund balance, as the cumulative effect of recording the \$1,328,308 of subscription based technology arrangement (SBITA) assets and associated and equally valued SBITA liabilities made no net impact. SBITA assets and liabilities were recorded in the enterprise funds and business-type activities. See Notes 4 and 7.

Note 3 – ACCOUNTS RECEIVABLE

The accounts receivable and allowance for uncollectible accounts at September 30, 2023, were as follows:

	Accounts Receivable	Unbilled Receivable	Allowance for Uncollectible	Net
General Fund	\$ 864,779	\$ -	\$ -	\$ 864,779
Enterprise Funds:				
Wastewater System Fund	551,916	135,549	-	687,465
Sanitation Services Fund	370,310	111,648	-	481,958
Stormwater Utility Fund	113,779	34,830	-	148,609
Internal Service Fund	1,619	-	-	1,619
Totals	\$ 1,902,403	\$ 282,027	\$ -	\$ 2,184,430

Property taxes are considered fully collected during and prior to the end of the fiscal year. Therefore, no material amounts of property taxes are receivable as of September 30, 2023. There are no other reserves for receivables recorded by the City as of September 30, 2023.

Note 4 - CAPITAL ASSETS

Depreciation expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities:	
General government	\$ 485,965
Administrative services	98,853
Police	385,120
Fire	180,265
Public works	688,569
Planning and development	303,711
Total depreciation expense - governmental activities	\$ 2,142,483
Business-type activities:	
Wastewater system	\$ 1,500,455
Sanitation services	201,722
Stormwater utility	451,959
Total depreciation expense - business-type activities	\$ 2,154,136

Amortization expense was allocated to the governmental functions in the statement of activities as follows:

Governmental activities:	
General government	\$ 141,397
Administrative services	10,155
Police	97,913
Fire	31,032
Total amortization expense - governmental activities	\$ 280,497
Business-type activities:	
Wastewater system	\$ 64,622
Sanitation services	6,900
Stormwater utility	6,900
Building	30,193
Total amortization expense - business-type activities	\$ 108,615

City of Rockledge, Florida
Notes to Financial Statements

Note 4 - CAPITAL ASSETS (Continued)

The following is a summary of changes in capital assets during the year ended September 30, 2023:

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 26,407,146	\$ -	\$ -	\$ 161,127	\$ 26,568,273
Construction-in-progress	258,375	2,083,539	-	(711,338)	1,630,576
Total capital assets, not being depreciated	26,665,521	2,083,539	-	(550,211)	28,198,849
Capital assets, being depreciated or amortized:					
Buildings	10,606,669	83,393	(2,500)	(199,847)	10,487,715
Improvements other than buildings	5,005,054	15,216	(1,790)	668,176	5,686,656
Furniture and equipment	3,955,925	1,028,811	(435,125)	43,162	4,592,773
Vehicles	4,442,813	975,525	(241,708)	-	5,176,630
Infrastructure	46,279,320	-	-	-	46,279,320
Subscription based technology arrangements	495,556	487,294	-	-	982,850
Total capital assets, being depreciated and amortized	70,785,337	2,590,239	(681,123)	511,491	73,205,944
Less accumulated depreciation and amortization for:					
Buildings	(3,760,361)	(261,595)	2,500	38,720	(3,980,736)
Improvements other than buildings	(884,506)	(169,716)	1,790	-	(1,052,432)
Furniture and equipment	(2,521,031)	(278,720)	378,730	-	(2,421,021)
Vehicles	(3,486,473)	(293,600)	210,852	-	(3,569,221)
Infrastructure	(14,111,852)	(1,138,852)	-	-	(15,250,704)
Subscription based technology arrangements	-	(280,497)	-	-	(280,497)
Total accumulated depreciation and amortization	(24,764,223)	(2,422,980)	593,872	38,720	(26,554,611)
Total capital assets, being depreciated and amortized, net	46,021,114	167,259	(87,251)	550,211	46,651,333
Governmental activities capital assets, net	\$ 72,686,635	\$ 2,250,798	\$ (87,251)	\$ -	\$ 74,850,182
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 3,677,911	\$ -	\$ -	\$ -	\$ 3,677,911
Construction-in-progress	4,197,316	8,529,375	-	(2,484,871)	10,241,820
Total capital assets, not being depreciated	7,875,227	8,529,375	-	(2,484,871)	13,919,731
Capital assets, being depreciated:					
Buildings	13,578,901	-	-	-	13,578,901
Infrastructure	2,896,710	-	-	-	2,896,710
Machinery and equipment	9,570,375	291,279	(34,009)	-	9,827,645
Vehicles	5,526,807	1,535,807	(196,711)	-	6,865,903
Waste and transmission lines and facilities	40,092,493	1,235,770	-	2,484,871	43,813,134
Subscription based technology arrangements	169,486	175,972	-	-	345,458
Total capital assets, being depreciated and amortized	71,834,772	3,238,828	(230,720)	2,484,871	77,327,751
Less accumulated depreciation for:					
Buildings	(7,631,759)	(273,252)	-	-	(7,905,011)
Infrastructure	(144,208)	(72,117)	-	-	(216,325)
Machinery and equipment	(5,278,246)	(390,269)	29,042	-	(5,639,473)
Vehicles	(3,378,167)	(327,586)	196,711	-	(3,509,042)
Waste and transmission lines and facilities	(21,397,452)	(1,090,912)	-	-	(22,488,364)
Subscription based technology arrangements	-	(108,615)	-	-	(108,615)
Total accumulated depreciation and amortization	(37,829,832)	(2,262,751)	225,753	-	(39,866,830)
Total capital assets, being depreciated and amortized, net	34,004,940	976,077	(4,967)	2,484,871	37,460,921
Business-type activities capital assets, net	\$ 41,880,167	\$ 9,505,452	\$ (4,967)	\$ -	\$ 51,380,652

Note 5 – SUBSCRIPTION BASED TECHNOLOGY ARRANGEMENTS

Subscription based technology arrangements (SBITA) generally are recognized based upon contracts or agreements which provide the City with the use of a third party software, occasionally coupled with supporting or interfacing hardware, that allow the City to operate more efficiently, effectively, or reliably. Variable payments that do not add to the configuration or implementation of the technology and for which the future cost is not determinable or indexed to a rate are excluded from the measurement of the SBITA.

There were no amounts of outflows of resources recognized in the reporting period for variable payments not previously included in the measurement of the subscription liability. There were no amounts of outflows of resources recognized in the reporting period for other payments, such as termination penalties, not previously included in the measurement of the subscription liability. There were no commitments under SBITAs before the commencement of the subscription terms. There were no impairments or losses under impairments during the reporting period.

The tables summarize the principal and interest requirements to maturity:

Governmental Activities			
For the year ending September 30,	Principal	Interest	Total
2024	\$ 182,068	\$ 42,944	\$ 225,012
2025	196,364	30,551	226,915
2026	211,807	17,139	228,946
2027	177,605	4,641	182,246
2028	91	-	91
Total	\$ 767,935	\$ 95,275	\$ 863,210

Business-type Activities			
For the year ending September 30,	Principal	Interest	Total
2024	\$ 66,778	\$ 13,214	\$ 79,992
2025	72,296	8,654	80,950
2026	77,322	3,772	81,094
2027	46,807	122	46,929
2028	358	2	360
Total	\$ 263,561	\$ 25,764	\$ 289,325

Note 6 - NOTES PAYABLE

On April 1, 2009, the City borrowed \$2,000,000 through a local bank for the purpose of constructing a police facility. As of September 30, 2010, the City owed \$1,763,069 on this note. Principal of \$14,932 was paid in October 2010 bringing the outstanding balance on the note to \$1,748,137. On November 1, 2010, the City borrowed an additional \$500,000 at the same interest rate of 3.95% bringing the monthly payments to \$25,983. The City obtained a second loan modification on this note, effective August 12, 2011, at an effective interest rate of 2.87% and payments of \$24,924 per month. This interest rate and payment amount remained in effect for five years, at which time the interest rate increased to 3.37% with monthly payments of \$25,076 through May 1, 2019. However, on December 7, 2017, the City refinanced the note, borrowing an additional amount of \$2,061,468, which carried a new interest rate of 2.50%. Interest of \$31,795 was paid on this note during the year ended September 30, 2023. The note is secured with a pledge of utility tax revenues and franchise fees collected by the City. As of September 30, 2023, the principal outstanding on the note was \$1,136,796.

On October 7, 2013, the City, through its Community Redevelopment Agency (CRA), opened a \$750,000 line of credit through a local bank in order to facilitate short-term financing needs. In 2013 and 2015, the City drew \$500,000 and \$350,000 from the line of credit, which was used with other funds to purchase parcels of land and buildings. On September 30, 2016, the City increased the line of credit to \$1,000,000 and drew \$200,000 to purchase land. On October 4, 2017, the City increased the line of credit to \$2,000,000 and drew \$396,996 to purchase land and a commercial building. On December 7, 2017, the City decreased the line of credit to \$1,000,000. On July 29, 2021, the City decreased the line of credit to \$500,000. As of September 30, 2023, no amount of principal remains outstanding. The line of credit has a maturity date of July 16, 2025, and bears interest at the Wall Street Journal Prime Rate, which was 8.5% on September 30, 2023.

On July 29, 2021, the City, through its Wastewater System Fund, borrowed \$4,750,000 through a local bank for the construction of additions and improvements to the City's wastewater treatment and water reclamation facilities. Pursuant to the loan agreement (Series 2021 Note), the excess of income, fees and earnings over the costs of operation and maintenance of the wastewater treatment system are irrevocably pledged to the payment of principal and interest on the Series 2021 Note. The Series 2021 Note does not constitute a general obligation or indebtedness of the City and the lender shall never have the right to require or compel the levy of taxes for the payment of principal or interest nor does it constitute a lien on any property of the City other than the pledged funds noted above. The Series 2021 Note has a maturity date of July 29, 2031, and bears interest at a fixed rate of 1.65%. Monthly payments of principal and interest total \$42,965.87. Interest of \$67,613 was paid on this note during the year ended September 30, 2023. As of September 30, 2023, the remaining principal outstanding on the note was \$3,783,708.

Note 6 – NOTES PAYABLE (Continued)

The following is a summary of governmental activities direct borrowings for the year ended September 30, 2023:

Year Ending September 30,	Governmental Activities			
	Capital Improvement Note Series		Total	
	Principal	Interest	Principal	Interest
2024	\$ 257,263	\$ 25,547	\$ 257,263	\$ 25,547
2025	263,840	18,970	263,840	18,970
2026	270,512	12,298	270,512	12,298
2027	277,353	5,457	277,353	5,457
2028	67,828	277	67,828	277
Total	1,136,796	62,549	1,136,796	62,549
Current portion	(257,263)	(25,547)	(257,263)	(25,547)
Payable after one year	\$ 879,533	\$ 37,002	\$ 879,533	\$ 37,002

The following is a summary of business-type activities direct borrowings for the year ended September 30, 2023:

Year Ending September 30,	Business-type Activities			
	Wastewater System - Series 2021		Total	
	Principal	Interest	Principal	Interest
2024	\$ 456,449	\$ 59,142	\$ 456,449	\$ 59,142
2025	464,203	51,387	464,203	51,387
2026	471,921	43,670	471,921	43,670
2027	479,767	35,824	479,767	35,824
2028	487,663	27,927	487,663	27,927
2029-2031	1,423,705	34,481	1,423,705	34,481
Total	3,783,708	252,431	3,783,708	252,431
Current portion	(456,449)	(59,142)	(456,449)	(59,142)
Payable after one year	\$ 3,327,259	\$ 193,289	\$ 3,327,259	\$ 193,289

City of Rockledge, Florida
Notes to Financial Statements

Note 7 - CHANGES IN LONG-TERM LIABILITIES

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Notes payable:					
Capital Improvement Note	\$ 1,387,811	\$ -	\$ (251,015)	\$ 1,136,796	\$ 257,263
Total notes payable	1,387,811	-	(251,015)	1,136,796	257,263
Subscription based technology arrangements	495,556	487,294	(214,915)	767,935	182,068
Other postemployment benefits	557,266	66,029	(150,546)	472,749	28,224
Compensated absences	1,498,674 *	39,411	-	1,538,085	1,076,020
Net pension liability	8,205,254	5,464,930	(6,215,721)	7,454,463	-
Governmental activity long-term liabilities	\$ 12,144,561	\$ 6,057,664	\$ (6,832,197)	\$ 11,370,028	\$ 1,543,575
Business-type activities:					
Notes payable:					
Series 2021 Note	\$ 4,231,686	\$ -	\$ (447,978)	\$ 3,783,708	\$ 456,449
Total notes payable	4,231,686	-	(447,978)	3,783,708	456,449
Subscription based technology arrangements	169,486	175,972	(81,897)	263,561	66,778
Other postemployment benefits	218,703	22,786	(51,964)	189,525	11,314
Compensated absences	444,304 *	70,609	-	514,913	401,352
Net pension liability	1,535,412	1,300,082	(1,601,656)	1,233,838	-
Business-type activity long-term liabilities	\$ 6,599,591	\$ 1,569,449	\$ (2,183,495)	\$ 5,985,545	\$ 935,893

* the change in compensated absences liability is presented as a net change.

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City of Rockledge, Florida
Notes to Financial Statements

Note 8 - PLEDGED REVENUES

The City has revenue notes outstanding as of September 30, 2023, for which revenues of the City have been pledged for repayment. Revenues pledged to repay these obligations are as follows:

	Amount Issued	Principal Outstanding	Total Pledged Revenue (1)	Total Pledged Revenue Over Debt Service Required (2)	Current Year Debt Service Paid	Current Year Total Revenue
Governmental Activities:						
Revenue Notes:						
Capital Improvement Note, Series 2009						
Maturity: 2028, Interest rate: 2.50%	\$ 2,500,000	\$ 1,136,796	\$ 1,199,345	7,882.61%	\$ 282,810	\$ 5,245,368
Purpose: Construction of new public safety facilities						
Pledged revenue: Utility taxes and franchise fees						
Business Activities:						
Revenue Notes:						
Capital Improvement Note, Series 2021 (3)						
Maturity: 2031, Interest rate: 1.65%	\$ 4,750,000	\$ 3,783,708	\$ 4,036,139	12,962.25%	\$ 515,590	\$ 8,531,753
Purpose: Construction of wastewater facility improvements						
Pledged revenue: Net revenues of the Wastewater Treatment Fund						

(1) Total pledged revenue is the total outstanding principal and interest.

(2) Total pledged revenue over debt service required is calculated using the current year total revenues for the remaining years of debt service.

(3) The Net Revenues, after deduction of the cost of operation and maintenance received from the City's Wastewater Enterprise Fund and the moneys and investment income therefrom are irrevocably pledged to the payment of principal and interest on the Series 2021 note.

However, the note does not constitute a general obligation or indebtedness of the City nor does it constitute a lien on any property of the City.

Note 9 - TRANSFERS TO/FROM OTHER FUNDS

Operating Transfers	Transfers		Net
	In	Out	
Major Funds:			
General Fund	\$ 2,663,606	\$ (1,906,312)	\$ 757,294
Community Redevelopment Agency	1,912,262	-	1,912,262
ARPA	-	(5,919,022)	(5,919,022)
Wastewater System	2,948,710	(190,000)	2,758,710
Sanitation Services	237,564	(123,000)	114,564
Stormwater Utility	542,192	(83,000)	459,192
Non-Major Funds:			
Building	-	(83,000)	(83,000)
Total	\$ 8,304,334	\$ (8,304,334)	\$ -

Note 9 - TRANSFERS TO/FROM OTHER FUNDS (Continued)

Amounts are transferred from one fund to another fund in accordance with legally established budgets. The transfer from the General Fund to the Community Redevelopment Agency Fund in the amount of \$1,906,312 represents the tax incremental financing (TIF) payment required. The transfers from the ARPA fund to the remaining funds represent the funding of qualified initiatives under the enabling legislation of the American Rescue Plan Act. All remaining interfund transfers within the primary government represent cash transfers to supplement other fund sources.

The following table details the interfund balances as of September 30, 2023:

	Interfund balances	
	Receivables	Payables
Major Funds:		
General Fund	\$ 164,945	\$ -
ARPA	-	639,660
Wastewater System	474,715	-
Total	\$ 639,660	\$ 639,660

Note 10 - NET INVESTMENT IN CAPITAL ASSETS

The elements of this calculation are as follows:

	Governmental Activities	Business-type Activities	Total
Capital assets (net)	\$ 74,850,182	\$ 51,380,652	\$ 126,230,834
Outstanding debt related to capital assets	(1,136,796)	(3,783,708)	(4,920,504)
Subscription based technology liabilities	(767,935)	(263,561)	(1,031,496)
Unexpended debt proceeds related to capital assets	-	-	-
Accounts payable related to capital assets	(459,546)	(1,074,206)	(1,533,752)
	\$ 72,485,905	\$ 46,259,177	\$ 118,745,082

Note 11 - RETIREMENT PLANS

A. DESCRIPTION OF PLANS

The City maintains three contributory single-employer defined benefit pension plans (Plans) that provide for retirement, disability and death benefits as described below. These Plans are:

City of Rockledge General Employees' Retirement Plan (General Employees)
City of Rockledge Police Employees' Retirement Plan (Police Employees)
City of Rockledge Fire Employees' Retirement Plan (Fire Employees)

Each plan is administered by a separate board of trustees comprised of five members, two of whom are appointed by the City Council, two of whom are full-time participants of the respective employee group (General, Police, or Fire) and one is chosen by a majority of the previous four members. Each board of trustees is empowered to hire its own attorneys and consultants at the pension fund's expense, and to bring and defend lawsuits.

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS)

Basis of Accounting

The Plans' financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits, refunds, and administrative costs are recognized when due and payable in accordance with the terms of each plan. On-behalf payments, made by the state totaling \$285,645 and \$313,510 for the Fire Employees' and Police Employees' plans, respectively, were recognized as revenues and expenditures in the General Fund during the year ended September 30, 2023.

Method Used to Value Investments

Investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Investments that do not have an established market are reported at estimated fair value.

Presentation of Financial Statements

The Plans do not issue stand-alone financial reports and are not included in the reports of any other entity.

Note 11 - RETIREMENT PLANS (Continued)

B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (ALL PLANS) (continued)

Funding Requirements

The City uses the entry age normal actuarial cost method (EAN) to determine required contributions. This method provides a stable pattern of minimum required contributions at a level dollar amount (for each plan) and allows a more transparent analysis of the changes experienced from one year to the next.

The General Employees plan requires employee contributions at 6% of basic compensation. City contributions are actuarially determined sufficient to pay current costs and amortize unfunded past service costs, if any, as provided in Chapter 112, Florida Statutes. For 2023, employee contributions to the plan totaled \$345,702, while recognized City contributions were \$445,456 or 7.7% of covered payroll.

Florida Statutes, Chapters 175 and 185, require members to contribute not less than 5% of earnings, this may be reduced by local ordinance to no less than 0.5%. The Police Employees and Fire Employees plans, as approved by the City Council, require members to contribute 7% of their basic compensation. The City is required to contribute at an actuarially determined rate, which includes the state's premium tax proceeds. Employer contributions for police officers and firefighters include on-behalf payments from the state of Florida related to state excise taxes collected on homeowners' insurance policies. The current combined required rate is 12.41% of annual covered payroll for police officers and 22.33% of covered payroll for firefighters. The City made recognized contributions of \$14,284 and \$226,330 for Police Employees and Fire Employees plans, respectively, for the year ended September 30, 2023.

Municipalities that have established pension plans complying with the provisions of Chapters 175 and 185, Florida Statutes, and that have enacted appropriate taxing legislation are eligible to receive revenues generated from excise taxes on gross receipts of certain insurance premiums from policyholders covering property within the City limits. These state premium tax proceeds are the Firefighters' Pension Fund Excise Tax, which is imposed on the gross receipts of property insurance policy premiums, and the Police Officers' Pension Fund Excise Tax, which is imposed on the gross receipts of casualty insurance policy premiums. These revenues, taken as a whole, amounted to \$599,155 for the year ended September 30, 2023.

Note 11 - RETIREMENT PLANS (Continued)

C. PLAN MEMBERSHIP AND BENEFITS

The makeup of plan participants as of the October 1, 2023 valuation was as follows:

Plan Membership	General Employees	Police Employees	Fire Employees
Inactive plan members or beneficiaries currently receiving benefits	71	28	27
Inactive plan members entitled to, but not yet receiving benefits	9	6	5
Active plan members	115	43	36
Total	195	77	68

All three plans provide retirement, termination, disability, and death benefits. A summary of those benefits, by plan, is outlined below.

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Normal Retirement:	Age 65 and 10 years of service or age 55 and 25 years of service. Benefit equals 2.75% x Avg Monthly Comp x credited service.	Age 52 and 10 years of service. Benefit equals 3% x Avg Monthly Comp x credited service (if hired prior to 1/2/13, retirees receive additional 1.5% for service over 25 years).	Age 52 and 25 years or age 55 and 10 years of service. Benefit equals 3% x Avg Monthly Comp x credited service, plus additional 1.5% for service over 25 years (after 10/1/12 rates are 2.75% times the average monthly comp and 1.25% for additional service).
Early Retirement:	Age 55 and 10 years of service, reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years of service, reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.

Note 11 - RETIREMENT PLANS (Continued)

C. PLAN MEMBERSHIP AND BENEFITS (continued)

	<u>General Employees</u>	<u>Police Employees</u>	<u>Fire Employees</u>
Termination of Employment:	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.	Vested employees receive full benefits upon retirement age. Nonvested are entitled to return of employee contributions with 1.5% interest.
Disability Benefits:	Line-of-duty benefit reduced 50%. Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Line-of-duty benefit reduced 50%. Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.	Line-of-duty benefit reduced 50%. Non-line-of-duty benefit based on 10 years certain and continuous annuity payable determined at time of disability adjusted for years of service.
Pre-retirement Death Benefits:	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.	Survivor benefit is 10-year certain amount adjusted for vesting status at time of death of plan member.
Deferred Retirement Option (DROP):	Employees eligible at early retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).	Employees eligible at normal retirement date. Accrued benefit frozen but earns interest until DROP exit (no more than 5 years later).

Note 11 - RETIREMENT PLANS (Continued)

D. PENSION PLAN INVESTMENTS

Each plan's investment policy was adopted by the respective Pension Board of Trustees, which has the authority for establishing and amending investment policy decisions for each of the plans that they administer. The policy outlines suitable, authorized investments along with asset allocations.

Each plan's investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price at current exchange rates. Independent investment managers and an independent custodian handle all pension investments and disbursements.

In order to provide for a diversified portfolio, several investment management firms are selected to be responsible for the assets and allocation of the Trustees' mandate only, and are provided specific performance objectives and investment criteria. In order to maintain a balanced portfolio, the allocation of assets are targeted at no more than 5% in common stock, capital stock, or convertible stock of any one issuing company. Fixed income investments issued to any single corporation shall not exceed 5% of the total fund and all investments, and shall have a minimum rating of investment grade (Baa – AAA) or higher by at least one major credit rating agency. The plans did not hold investments in any one organization that represent 5% or more of the plans' fiduciary net position.

For the year ended September 30, 2023, the annual money-weighted rate of return on the plans' investments, net of pension investment expense, was 11.32% for General, 11.39% for Police, and 11.10 % for Fire. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

	General Employees	Police Employees	Fire Employees
Annual money-weighted rate of return net of investment expenses	11.32%	11.39%	11.10%

Note 11 - RETIREMENT PLANS (Continued)

E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE

The components of the net pension liability (asset) of the City as of September 30, 2023, were as follows:

General Employees:	
Total pension liability	\$ 24,118,101
Plan fiduciary net position	(21,114,043)
City's net pension liability	\$ 3,004,058
Plan fiduciary net position as a percentage of the total pension liability	87.54%
Police Employees:	
Total pension liability	\$ 19,296,135
Plan fiduciary net position	(17,613,506)
City's net pension liability	\$ 1,682,629
Plan fiduciary net position as a percentage of the total pension liability	91.28%
Fire Employees:	
Total pension liability	\$ 17,665,868
Plan fiduciary net position	(13,664,254)
City's net pension liability	\$ 4,001,614
Plan fiduciary net position as a percentage of the total pension liability	77.35%

The total pension liability (asset) was determined by an actuarial valuation as of October 1, 2023 using the following actuarial assumptions applied to all measurement periods for each plan.

	General	Police	Fire
	Employees'	Employees'	Employees'
Inflation	2.00%	2.00%	2.00%
Salary increases (including inflation)			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (12+ for general employees)	4.50%	4.50%	4.50%
Investment rate of return (net of investment expense, including inflation)	7.45%	7.45%	7.45%
Discount rate	7.45%	7.45%	7.45%

Note 11 - RETIREMENT PLANS (Continued)

E. NET PENSION LIABILITY, SIGNIFICANT ASSUMPTIONS, AND DISCOUNT RATE (continued)

Mortality assumptions are as utilized in one of the last two valuations for the Florida Retirement System (FRS), which is required by Florida Statute 112.63(1)(f), employing the special risk employees actuarial valuation table for the Police and Fire Employees plans and the not special risk actuarial valuation table for the General Employees plan. Disabled tables were used for disabled lives.

For all three plans, actuarial assumptions used in the October 1, 2023 valuation were based on the results of an actuarial experience study for the 10-year period preceding October 1, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plans' target asset allocation as of September 30, 2023, are summarized in the following table:

Asset Class	General Employees		Police Employees		Fire Employees	
	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return	Target Allocation	Long-term Expected Rate of Return
Domestic equity	47.50%	7.50%	47.50%	7.50%	47.50%	7.50%
International equity	15.00%	8.50%	15.00%	8.50%	15.00%	8.50%
Domestic bonds	7.50%	2.50%	7.50%	2.50%	7.50%	2.50%
International bonds	5.00%	3.50%	5.00%	3.50%	5.00%	3.50%
Real estate & Infrastructure	25.00%	4.50%	25.00%	4.50%	25.00%	4.50%

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 equal to the difference between actuarially determined contribution and the member contribution. Based on those assumptions, each 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 net pension liability.

Note 11 - RETIREMENT PLANS (Continued)

F. PENSION PLAN FINANCIAL STATEMENTS

The following tables present the statement of net position - fair value, and statement of changes in net position - fair value, of all the trusts' investments as of and for the year ended September 30, 2023.

	Employee Benefit Funds			
	General	Police	Fire	
ASSETS	Employees	Employees	Employees	Totals
Cash and cash equivalents	\$ 358,560	\$ 192,085	\$ 238,502	\$ 789,147
Contributions receivable	-	-	87,931	87,931
Due from other plan	-	1,266	-	1,266
Interest receivable	13,530	9,756	8,617	31,903
Total current assets	372,090	203,107	335,050	910,247
Investments, at fair value	21,172,273	17,731,479	13,632,212	52,535,964
Total assets	21,544,363	17,934,586	13,967,262	53,446,211
LIABILITIES				
Prepaid contribution	429,054	321,080	303,008	1,053,142
Due to other plan	1,266	-	-	1,266
Total liabilities	430,320	321,080	303,008	1,054,408
Net position restricted for pension benefits	\$ 21,114,043	\$ 17,613,506	\$ 13,664,254	\$ 52,391,803

Note 11 - RETIREMENT PLANS (Continued)

F. PENSION PLAN FINANCIAL STATEMENTS (continued)

	Employee Benefit Funds			
	General	Police	Fire	
	<u>Employees</u>	<u>Employees</u>	<u>Employees</u>	<u>Totals</u>
Additions:				
Contributions:				
Employer	\$ 445,456	\$ 14,284	\$ 226,330	\$ 686,070
State	-	313,510	285,645	599,155
Employees	345,702	184,886	160,491	691,079
Total contributions	791,158	512,680	672,466	1,976,304
Investment income:				
Net appreciation in fair value of investments	1,857,739	1,581,914	1,204,287	4,643,940
Interest and dividends	491,581	407,581	318,283	1,217,445
	2,349,320	1,989,495	1,522,570	5,861,385
Less: investment related expense	(80,064)	(78,037)	(63,822)	(221,923)
Net investment income	2,269,256	1,911,458	1,458,748	5,639,462
Total additions	3,060,414	2,424,138	2,131,214	7,615,766
Deductions:				
Benefits	1,259,009	998,520	1,161,496	3,419,025
Administrative expense	62,236	69,672	68,609	200,517
Total deductions	1,321,245	1,068,192	1,230,105	3,619,542
Change in net position	1,739,169	1,355,946	901,109	3,996,224
Net position restricted for pension benefits:				
Balance at beginning of year	19,374,874	16,257,560	12,763,145	48,395,579
Balance at end of year	\$ 21,114,043	\$ 17,613,506	\$ 13,664,254	\$ 52,391,803

Note 11 - RETIREMENT PLANS (Continued)

G. PENSION EXPENSE AND DEFERRED INFLOWS/OUTFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended September 30, 2023, the City recognized a pension expense of (\$908,027) for the General Employees plan; (\$873,116) for the Police Employees plan; and (\$913,910) for the Fire Employees plan. The total aggregate pension expense for all plans is (\$2,695,053). On September 30, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	General		Police		Fire	
	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 483,153	\$ 448,683	\$ 201,954	\$ 74,322	\$ 369,347	\$ 14,973
Changes of assumptions	342,524	119,309	450,381	152,619	268,934	80,684
Net difference between projected and actual earnings	1,298,519	-	1,009,550	-	869,684	-
Total	\$ 2,124,196	\$ 567,992	\$ 1,661,885	\$ 226,941	\$ 1,507,965	\$ 95,657

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

	General	Police	Fire
<u>Year Ending September 30:</u>	<u>Employees</u>	<u>Employees</u>	<u>Employees</u>
2024	\$ 225,615	\$ 269,203	\$ 262,325
2025	475,276	360,831	371,638
2026	1,010,167	782,842	719,488
2027	(154,854)	(51,669)	11,618
2028	-	60,815	47,239
2029	-	12,922	-
	<u>\$ 1,556,204</u>	<u>\$ 1,434,944</u>	<u>\$ 1,412,308</u>

Note 11 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE

General Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2022	\$ 22,993,133	\$ 19,374,874	\$ 3,618,259
Changes for a year:			
Service cost	609,490	-	609,490
Interest	1,723,770	-	1,723,770
Differences between expected and actual experience	(201,610)	-	(201,610)
Changes of assumptions	252,327	-	252,327
Contributions - employer	-	445,456	(445,456)
Contributions - employee	-	345,702	(345,702)
Net investment income	-	2,269,256	(2,269,256)
Benefit payments, including refunds of member contributions	(1,259,009)	(1,259,009)	-
Administrative expense	-	(62,236)	62,236
Net changes	1,124,968	1,739,169	(614,201)
Balances at September 30, 2023	\$ 24,118,101	\$ 21,114,043	\$ 3,004,058

The sensitivity of the net pension liability to changes in the discount rate is shown below.

General Employees	1% Decrease	Current Discount Rate	1% Increase
City's net position liability (asset)	6.45%	7.45%	8.45%
	\$5,784,186	\$ 3,004,058	\$ 669,652

Note 11 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE (continued)

Police Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balances at September 30, 2022	\$ 18,243,075	\$ 16,257,560	\$ 1,985,515
Changes for a year:			
Service cost	413,606	-	413,606
Interest	1,366,536	-	1,366,536
Differences between expected and actual experience	69,897	-	69,897
Changes of assumptions	201,541	-	201,541
Contributions - employer	-	14,284	(14,284)
Contributions - state	-	313,510	(313,510)
Contributions - employee	-	184,886	(184,886)
Net investment income	-	1,911,458	(1,911,458)
Benefit payments, including refunds of employee contributions	(998,520)	(998,520)	-
Administrative expense	-	(69,672)	69,672
Net changes	1,053,060	1,355,946	(302,886)
Balances at September 30, 2023	\$ 19,296,135	\$ 17,613,506	\$ 1,682,629

The sensitivity of the net pension liability to changes in the discount rate is shown below.

Police Employees	1% Decrease	Current Discount Rate	1% Increase
City's net position asset	6.45%	7.45%	8.45%
	\$ 3,911,109	\$ 1,682,629	\$ (180,656)

Note 11 - RETIREMENT PLANS (Continued)

H. CHANGES IN NET PENSION LIABILITY AND SENSITIVITY TO CHANGES IN DISCOUNT RATE (continued)

Fire Employees

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balances at September 30, 2022	\$ 16,900,036	\$ 12,763,145	\$ 4,136,891
Changes for a year:			
Service cost	361,692	-	361,692
Interest	1,255,947	-	1,255,947
Differences between expected and actual experience	121,745		121,745
Changes of assumptions	187,944	-	187,944
Contributions - employer	-	226,330	(226,330)
Contributions - state	-	285,645	(285,645)
Contributions - employee	-	160,491	(160,491)
Net investment income	-	1,458,748	(1,458,748)
Benefit payments, including refunds of employee contributions	(1,161,496)	(1,161,496)	-
Administrative expense	-	(68,609)	68,609
Net changes	765,832	901,109	(135,277)
Balances at September 30, 2023	\$ 17,665,868	\$ 13,664,254	\$ 4,001,614

The sensitivity of the net pension liability to changes in the discount rate is shown below.

Fire Employees	1% Decrease	Current Discount Rate	1% Increase
City's net position liability (asset)	6.45% \$6,076,861	7.45% \$ 4,001,614	8.45% \$ 2,263,734

Note 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. PLAN DESCRIPTION

The City of Rockledge administers a single-employer defined benefit healthcare plan (the “Plan”) that provides medical insurance to its employees and their eligible dependents. Pursuant to Section 112.0801 Florida Statutes, the City is required to provide eligible retirees (as defined in the City’s pension plans) the opportunity to participate in this Plan at the same cost that is applicable to active employees.

The City does not issue stand-alone financial statements for this Plan. All financial information related to the Plan is accounted for in the City’s basic financial statements.

B. FUNDING POLICY

The City is funding the post employee benefits on a pay-as-you-go basis. Contribution rates for the Plan are established by City Council annually during the budget process. The City does not pay for health insurance premiums for retirees. Blended premium rates for active and retired employees combined provide an implicit subsidy for retirees because on an actual basis, their current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions are determined as annualized claims incurred based on the retiree age at the beginning of the fiscal year and the claims table used for liability determination offset by the annual premium paid by the retiree for such coverage. City contributions are assumed to be equal to benefits paid.

C. PLAN MEMBERSHIP

At October 1, 2023, OPEB membership consisted of the following:

	General Employees	Police	Firefighters
Inactive members	1	2	5
Active members	122	49	38
Total	123	51	43

Note 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS

In the September 30, 2023 measurement data, the actuarial assumptions and other inputs, applied include the following:

	<u>General Employees'</u>	<u>Police Employees'</u>	<u>Fire Employees'</u>
Inflation	2.00%	2.00%	2.00%
Salary increases (including inflation)			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (13+ for general employees)	4.50%	4.50%	4.50%
Discount rate	4.87%	4.87%	4.87%
Ultimate healthcare cost trend rate	5.00%	5.00%	5.00%
Retirees' share of benefit-related costs	100.00%	100.00%	100.00%

The discount rate was selected based on a 20-year tax-exempt high-quality general obligation municipal bond yield or index. The Bond Buyer 20-Bond General Obligation Index is the average rating of 20 bonds that are grade 'Aa2' (Moody's) or grade 'AA' (S&P 500). The S&P Municipal Bond 20 Year High Grade Rate Index was 4.87%. This is a change from the Bond Buyer 20-Bond General Obligation Index of 4.02% used on the prior valuation.

The mortality tables used for the OPEB Plan are the same as those for the pension plans. Namely, for the members of the City of Rockledge General Employees' Pension Plan the table used is that for not special risk employees in the valuation of the Florida Retirement System (FRS) as of July 1, 2019, 2020, and 2021. The mortality table for members of the City of Rockledge Fire Employees' and Police Employees' Pension Plans is that used for special risk employees in the valuation of FRS as of July 1, 2019, 20, and 21. Sex distinct disability rates are used for both special risk employees and regular employees.

The actuarial assumptions used in the October 1, 2023 valuation were not based on the results of an actuarial experience study.

Note 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

At September 30, 2023 the City of Rockledge reported an OPEB liability of \$662,274. The GASB 75 information has been provided as of the September 30, 2023 measurement date.

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Total OPEB Liability
	(a)	(b)	(a) - (b)
Change in total OPEB Liability			
Balance at September 30, 2022	\$ 775,969	\$ -	\$ 775,969
Changes for the year:			
Service cost	56,158	-	56,158
Interest	32,657	-	32,657
Difference between expected and actual experience	(109,774)	-	(109,774)
Changes of assumptions	(53,198)	-	(53,198)
Contributions - employer	-	39,538	(39,538)
Benefit payments	(39,538)	(39,538)	-
Net changes	(113,695)	-	(13,695)
Balance at September 30, 2023	\$ 662,274	\$ -	\$ 662,274

There were no changes in assumptions and other inputs from the October 1, 2022 valuation, except the discount rate increased to 4.87% from 4.02%. The methods, assumptions, and participant data used are detailed in the actuarial valuation report dated October 1, 2023.

Note 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

Sensitivity of the OPEB Liability - The following table represents the City's total and OPEB liability calculated using the discount rate of 4.87%, as well as what the City's OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.87%) or one percentage point higher (5.87%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	3.87% \$725,353	4.87% \$ 662,274	5.87% \$ 605,494

The following table represents the City's total and OPEB liability calculated using the health care cost trend rate of 5.00%, as well as what the City's OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower (4.00%) or one percentage point higher (6.00%) than the current rate:

	1% Decrease	Ultimate Trend Rate	1% Increase
Net OPEB liability	4.00% \$589,508	5.00% \$ 662,274	6.00% \$ 748,987

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the fiscal year ended September 30, 2023, the City of Rockledge recognized an aggregate OPEB expense of \$36,434. In addition, the City reported deferred inflows and outflows of resources related to the OPEB plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 3,555	\$ 186,195
Changes of assumptions	53,084	121,370
Total	\$ 56,639	\$ 307,565

Note 12 – POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (Continued)

D. ACTUARIAL ASSUMPTIONS AND OTHER INPUTS (continued)

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

Year Ending September 30:	
2023	\$ (55,191)
2024	(70,613)
2025	(78,115)
2026	(34,935)
2027	(12,072)
	<u>\$ (250,926)</u>

Note 13 - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City purchases separate commercial insurance coverage for workers' compensation, liability, and property damage. Coverage for workers' compensation and automobile claims are limited to the maximum liability exposure the City faces under Florida Statutes. Coverage for general liability claims is a maximum of \$1,000,000 combined single limit.

The commercial insurance carried is a claims incurred policy for which the City is covered for claims originating against the City during the policy period. The amount of coverage is dependent on the date of the liability-imposing event. The City has maintained continuous coverage and does not believe it has any exposure to events which occurred prior to the year ended September 30, 2023.

As of September 30, 2023, the City has an estimated \$511,885 in outstanding claims incurred but not reported. The employee medical insurance is a shared cost policy for which the City pays a recurring administrative fee and claims as asserted. The City's health insurance expenditure is based upon a carryforward experience level, whereby each month the City pays the benefit payments net of the specific stop loss, plus the in-month change in experience deficit, plus adjustments. Consequently, the City does not believe it has any future exposure for medical claims by its employees beyond this estimate, and \$21,174 of accounts payable.

Note 14 - COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the City is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of the City Attorney, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the City or results of activities.

Note 15 - COMMUNITY REDEVELOPMENT AGENCY

The purpose of the Rockledge CRA is to stimulate economic growth, promote private development opportunities, and maintain a safe, prosperous community while focusing on improving the quality of life of the citizens of Rockledge.

Pursuant to Chapter 163.387 (8) of the Florida Statutes, the following information is provided regarding the receipts and expenditures of the CRA.

	Actual Budgetary Basis
Resources (inflows):	
Property taxes	1,257,576
Income on investments	74,348
Other	1,226
Proceeds from loan	-
Transfer in	1,911,962
Amounts available for appropriation	3,245,112
Capital Projects	1,693,185
Façade improvement grants	71,741
Legal services	17,100
Insurances	6,050
Accounting and audit	5,326
Professional services	1,590
Memberships and dues	1,170
Promotional materials / recruitment	1,039
Special events	500
Office supplies	395
Total charges to appropriations	1,798,096
Excess of resources over charges to appropriations	1,447,016
Fund balance allocation	(1,447,016)
Excess (deficiency) of resources and fund balance allocation over charges to appropriations	-

Note 15 - COMMUNITY REDEVELOPMENT AGENCY (Continued)

The accompanying schedule of revenues, expenditures, and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2023, is presented below:

Net change in fund balance - budgetary basis	1,447,016
2022 differences in budget vs GAAP	111,630
2023 differences in budget vs GAAP	(392,364)
<u>allocation over charges to appropriations</u>	<u>1,166,282</u>

Property taxes consisted of the incremental tax receipts provided by increased assessed values over 2001 levels.

Note 16 - SUBSEQUENT EVENTS

The City entered into several capital improvement and acquisition projects, including a \$250,000 increase to the ongoing Flow Equalization Basin project within the Wastewater Treatment Plant. Of additional note, the City entered into a contract for the purchase and installation of a shade structure for the Fleet Maintenance Division of Public Works. Finally, an agreement was approved by City Council to resurface various streets and road segments within the City for an approximate cost of \$234,000.

Rockledge City Council approved the annexation of approximately 22 acres of land North of Barnes Boulevard and East of Murrell Road.

The City has considered subsequent events through March 8, 2024.

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**REQUIRED SUPPLEMENTARY INFORMATION OTHER THAN
MANAGEMENT'S DISCUSSION AND ANALYSIS**

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City of Rockledge, Florida

Budgetary Comparison Schedule – General Fund

<i>Year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 11,616,974	\$ 11,616,974	\$ 11,637,131	\$ 20,157
Other local taxes	5,336,104	5,424,104	6,309,939	885,835
Licenses, permits and fees	241,243	241,243	229,040	(12,203)
Intergovernmental	5,952,246	5,952,246	5,158,407	(793,839)
Charges for services	487,021	487,021	542,809	55,788
Fines and forfeitures	32,290	32,290	57,150	24,860
Subscription based technology arrangements	-	-	487,294	487,294
Investment and Miscellaneous revenue	148,420	148,420	531,116	382,696
Total revenues	23,814,298	23,902,298	24,952,886	1,050,588
Expenditures				
Category:				
Administrative:				
Personnel services	1,866,588	1,866,588	1,640,142	226,446
Operating expenditures	144,320	144,320	94,598	49,722
Capital improvement	677,700	677,700	289,852	387,848
Police:				
Personnel services	6,596,457	6,596,457	5,943,452	653,005
Operating expenditures	712,232	712,232	988,248	(276,016)
Capital improvement	558,500	558,500	429,261	129,239
Fire:				
Personnel services	4,500,720	4,500,720	4,242,984	257,736
Operating expenditures	332,462	332,462	308,627	23,835
Capital improvement	3,123,968	3,123,968	716,415	2,407,553
Public works:				
Personnel services	2,724,042	2,724,042	2,144,756	579,286
Operating expenditures	1,452,704	1,452,704	908,038	544,666
Capital improvement	1,612,350	1,612,350	1,219,409	392,941
Mayor and City Council:				
Personnel services	56,516	56,516	56,516	-
Operating expenditures	9,866	10,866	10,084	782
City attorney:				
Personnel services	160,717	210,717	207,596	3,121
Operating expenditures	3,500	3,500	1,904	1,596
General government:				
Personnel services	420,800	420,800	398,553	22,247
Operating expenditures	1,480,979	1,480,979	1,233,080	247,899
Capital Improvement	-	37,000	36,669	331
Debt service	282,810	282,810	483,315	(200,505)
Total expenditures	26,717,231	26,805,231	21,353,499	5,451,732

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida

Budgetary Comparison Schedule – General Fund

<i>Year Ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Excess (deficit) of revenues over expenditures	\$ (2,902,933)	\$ (2,902,933)	\$ 3,599,387	\$ 6,502,320
Transfers in	3,532,100	3,532,100	2,663,606	(868,494)
Transfers out	(1,906,312)	(1,906,312)	(1,906,312)	-
Net change in fund balance	(1,277,145)	(1,277,145)	4,356,681	5,633,826
Fund balances, beginning of the year,	22,993,372	22,993,372	22,993,372	-
Fund balance, end of year	<u>\$ 21,716,227</u>	<u>\$ 21,716,227</u>	<u>\$ 27,350,053</u>	<u>\$ 5,633,826</u>

Note that this schedule is prepared on a budgetary basis, but is not different from Generally Accepted Accounting Principles (GAAP) in the presentation.

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The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida

Budgetary Comparison Schedule – Community Redevelopment Agency

<i>Year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Property taxes	\$ 1,054,081	\$ 1,054,081	\$ 1,257,576	\$ 203,495
Investment and Miscellaneous revenue	5,300	5,300	75,574	70,274
Total revenues	1,059,381	1,059,381	1,333,150	273,769
Expenditures				
Planning and development:				
Capital projects and acquisitions	6,735,212	6,735,212	1,693,185	5,042,027
Professional services	175,000	175,000	1,590	173,410
Façade improvement grants	200,000	200,000	71,741	128,259
Salaries and benefits	-	-	0	-
Special events	20,000	20,000	500	19,500
Legal services	17,100	17,100	17,100	-
Promotional materials / recruitment	1,575	1,575	1,039	536
Insurances	5,807	5,807	6,050	(243)
Travel and training	-	-	-	-
Accounting and audit	6,600	6,600	5,326	1,274
Office supplies	2,000	2,000	395	1,605
Memberships and dues	2,000	2,000	1,170	830
Miscellaneous expenditures	-	-	-	-
Debt Service	-	-	-	-
Total expenditures	7,165,294	7,165,294	1,798,096	5,367,198
Excess (deficiency) of revenues over (under) expenditures	(6,105,913)	(6,105,913)	(464,946)	5,640,967
Other financing sources				
Transfers in	1,906,312	1,906,312	1,911,962	5,650
Other financing sources	1,906,312	1,906,312	1,911,962	(1,228)
Net change in fund balance	(4,199,601)	(4,199,601)	1,447,016	5,646,617
Fund balances, beginning of year	5,583,744	5,583,744	5,583,744	-
Fund balances, end of year	\$ 1,384,143	\$ 1,384,143	\$ 7,030,760	\$ 5,646,617

The accompanying schedule of revenues, expenditures and change in the CRA fund balance- budget and actual, presents comparisons of the legally adopted budget with actual data on a budgetary basis. Because accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, timing, perspective, and entry differences in the net changes in fund balance for the year ended September 30, 2023, is presented below:

Net change in fund balance- budgetary basis	\$ 1,447,016
2022 differences in budget vs GAAP	111,630
2023 differences in budget vs GAAP	(392,364)
Net change in fund balance- GAAP basis	<u>\$ 1,166,282</u>

The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Comparison Schedule – American Rescue Plan Act

<i>Year ended September 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 8,910,034	\$ 8,910,034	\$ 5,919,022	\$ (2,991,012)
Miscellaneous revenue	-	-	122,092	122,092
Total revenues	8,910,034	8,910,034	6,041,114	(2,868,920)
Excess (deficit) of revenues over expenditures	\$ 8,910,034	\$ 8,910,034	\$ 6,041,114	\$ (2,868,920)
Transfers out	(8,910,034)	(8,910,034)	(5,919,022)	2,991,012
Net change in fund balance	-	-	122,092	122,092
Fund balances, beginning of the year,	4,766	4,766	4,766	-
Fund balance, end of year	\$ -	\$ -	\$ 126,858	\$ 126,858

Note that this schedule is prepared on a budgetary basis, but is not different from Generally Accepted Accounting Principles (GAAP) in the presentation.

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The accompanying notes to required supplementary information are an integral part of this schedule.

City of Rockledge, Florida
Budgetary Notes to Required Supplementary Information

Note A – BUDGETARY INFORMATION

The City adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- a) Prior to the first day of August of each year, the City Manager prepares a proposed budget for the next succeeding fiscal year and submits it to the City Council. The recommended budget includes proposed expenditures and the sources of receipts to finance them.
- b) Complete copies of the proposed budget are made available for public inspection. Public hearings are conducted to obtain taxpayers' comments.
- c) The budget is enacted through passage of an ordinance and becomes the basis for the millage levied by the City Council.
- d) The City Manager is authorized to transfer budgeted amounts between line items within a department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Administrative and General Government are considered one department. Expenditures may not exceed legal appropriations at the department level. All appropriations conclude at year end.
- e) Formal budgetary integration is employed as a management control device during the year for the General Fund and all major, special revenue funds (if any). Formal budgetary integration is not employed for the Law Enforcement Education and Taylor Park Trust Funds, because effective budgetary control is alternatively achieved through expenditure eligibility provisions. Formal budget integration is also not employed for the Transportation Impact Fee Fund and Rockledge Heritage Foundation because projects are approved individually.
- f) Budgets are legally adopted on a basis consistent with GAAP for the General fund. The budgetary basis for the CRA fund is cash basis.
- g) The budgetary comparison schedule shown in the accompanying required supplementary information presents comparisons of the legally adopted budget, as amended, with actual results. The originally adopted budget is presented for purposes of comparison to the final, amended budget.

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City of Rockledge, Florida

Schedules of Defined Benefit Pension Plans

The schedules presented in the following required supplementary information are intended to provide information that is essential to understanding trends and puts the current period information into historical perspective. The Government Accounting Standards Board (GASB) concludes that a period of ten years will provide information to identify cyclical factors and other trends in connection with defined benefit pension plans. GASB Statement No. 67 sets the requirements for the ten-year schedules to be implemented prospectively. Until a full ten years of data is compiled, the schedules will present data that is available. GASB Statement No. 68 (GASB 68) requires that governments providing defined benefit pensions recognize long-term obligations for pension benefits as a liability and to more comprehensibly and comparably measure the annual costs of pension benefits.

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City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
General Employees

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 609,490	\$ 609,575	\$ 621,801	\$ 652,595
Interest	1,723,770	1,606,471	1,540,540	1,548,052
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(201,610)	617,162	277,065	(893,305)
Changes of assumptions	252,327	244,741	(134,302)	(218,604)
Benefit payments, including refunds of member contributions	(1,259,009)	(1,198,693)	(1,137,829)	(908,956)
Net change in total pension liability	1,124,968	1,879,256	1,167,275	179,782
Total pension liability - beginning	22,993,133	21,113,877	19,946,602	19,766,820
Total pension liability - ending (a)	\$ 24,118,101	\$ 22,993,133	\$ 21,113,877	\$ 19,946,602
 Plan fiduciary net position				
Contribution - employer	\$ 445,456	\$ 574,800	\$ 724,655	\$ 720,642
Contribution - employee	345,702	323,243	306,359	303,417
Net investment income	2,269,256	(3,282,778)	3,931,392	1,886,395
Benefit payments, including refunds of member contributions	(1,259,009)	(1,198,693)	(1,137,829)	(908,956)
Administrative expense	(62,236)	(74,272)	(63,270)	(67,175)
Net change in plan fiduciary net position	1,739,169	(3,657,700)	3,761,307	1,934,323
Plan fiduciary net position - beginning	19,374,874	23,032,574	19,271,267	17,336,944
Plan fiduciary net position - ending (b)	\$ 21,114,043	\$ 19,374,874	\$ 23,032,574	\$ 19,271,267
 Net pension liability (asset) - ending (a) - (b)	\$ 3,004,058	\$ 3,618,259	\$ (1,918,697)	\$ 675,335
 Plan fiduciary net position as a percentage of the total pension liability	87.54%	84.26%	109.09%	96.61%
 Covered payroll	\$ 5,761,701	\$ 5,387,387	\$ 5,105,988	\$ 5,056,951
 Net pension liability as a percentage of covered payroll	52.14%	67.16%	-37.58%	13.35%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019	2018	2017	2016	2015	2014
\$ 605,932	\$ 605,875	\$ 580,741	\$ 502,300	\$ 500,506	\$ 490,047
1,488,277	1,448,433	1,405,981	1,321,703	1,239,002	1,143,136
(45,645)	-	-	-	-	-
(329,476)	(488,124)	(163,308)	(211,999)	(132,223)	(24,739)
-	206,529	32,034	840,843	23,782	22,355
(1,085,673)	(961,938)	(1,727,630)	(753,910)	(429,686)	(438,263)
633,415	810,775	127,818	1,698,937	1,201,381	1,192,536
19,133,405	18,322,630	18,194,812	16,495,875	15,294,494	14,101,958
\$ 19,766,820	\$ 19,133,405	\$ 18,322,630	\$ 18,194,812	\$ 16,495,875	\$ 15,294,494
\$ 756,292	\$ 751,853	\$ 680,623	\$ 561,465	\$ 562,320	\$ 443,171
297,434	285,978	275,299	255,031	249,718	244,731
606,585	1,507,361	1,710,431	1,227,300	(3,709)	1,129,042
(1,085,673)	(961,938)	(1,727,630)	(753,910)	(429,686)	(438,263)
(65,394)	(60,095)	(46,286)	(55,175)	(64,461)	(77,399)
509,244	1,523,159	892,437	1,234,711	314,182	1,301,282
16,827,700	15,304,541	14,412,104	13,177,393	12,863,211	11,561,929
\$ 17,336,944	\$ 16,827,700	\$ 15,304,541	\$ 14,412,104	\$ 13,177,393	\$ 12,863,211
\$ 2,429,876	\$ 2,305,705	\$ 3,018,089	\$ 3,782,708	\$ 3,318,482	\$ 2,431,283
87.71%	87.95%	83.53%	79.21%	79.88%	84.10%
\$ 4,957,236	\$ 4,766,306	\$ 4,573,157	\$ 4,387,506	\$ 3,864,720	\$ 4,094,475
49.02%	48.38%	66.00%	86.22%	85.87%	59.38%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS

Last Ten Fiscal Years

General Employees

	2023	2022	2021	2020
Actuarially determined contribution	\$ 445,456	\$ 574,800	\$ 724,655	\$ 720,642
Contributions in relation to the				
actuarially determined contributions	445,456	574,800	724,655	720,642
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$5,761,701	\$5,387,387	\$5,105,988	\$5,056,951
Contributions as a percentage of				
covered payroll	7.7%	10.7%	14.2%	14.3%

Notes to Schedule

Valuation Date: 10/1/23

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

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019	2018	2017	2016	2015	2014
\$ 756,292	\$ 751,853	\$ 672,777	\$ 561,465	\$ 562,320	\$ 443,171
756,292	751,853	680,623	561,465	562,320	443,171
\$ -	\$ -	\$ (7,846)	\$ -	\$ -	\$ -
\$4,957,236	\$4,766,306	\$4,573,157	\$4,387,506	\$3,864,720	\$4,094,475
15.3%	15.8%	14.7%	12.8%	14.6%	10.8%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
Police Employees

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 413,606	\$ 368,486	\$ 382,153	\$ 414,205
Interest	1,366,536	1,328,370	1,295,989	1,271,367
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	69,897	17,203	205,503	(76,767)
Changes of assumptions	201,541	190,262	132,191	(321,354.00)
Benefit payments, including refunds of member contributions	(998,520)	(1,409,667)	(1,085,578)	(798,029)
Net change in total pension liability	1,053,060	494,654	930,258	489,422
Total pension liability - beginning	18,243,075	17,748,421	16,818,163	16,328,741
Total pension liability - ending (a)	\$ 19,296,135	\$ 18,243,075	\$ 17,748,421	\$ 16,818,163
 Plan fiduciary net position				
Contribution - employer	\$ 14,284	\$ 94,500	\$ 214,932	\$ 223,878
Contribution - state	313,510	269,833	247,231	244,109
Contribution - employee	184,886	170,855	152,146	154,795
Net investment income	1,911,458	(2,780,118)	3,509,893	1,665,927
Benefit payments, including refunds of member contributions	(998,520)	(1,409,667)	(1,085,578)	(798,029)
Administrative expense	(69,672)	(75,347)	(67,589)	(66,077)
Net change in plan fiduciary net position	1,355,946	(3,729,944)	2,971,035	1,424,603
Plan fiduciary net position - beginning	16,257,560	19,987,504	17,016,469	15,591,866
Plan fiduciary net position - ending (b)	\$ 17,613,506	\$ 16,257,560	\$ 19,987,504	\$ 17,016,469
 Net pension liability (asset) - ending (a) - (b)	\$ 1,682,629	\$ 1,985,515	\$ (2,239,083)	\$ (198,306)
 Plan fiduciary net position as a percentage of the total pension liability	91.28%	89.12%	112.62%	101.18%
 Covered payroll	\$ 2,641,234	\$ 2,440,793	\$ 2,173,510	\$ 2,211,353
Net pension liability as a percentage of covered payroll	63.71%	81.35%	-103.02%	-8.97%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019		2018		2017		2016		2015		2014	
\$	401,170	\$	385,421	\$	427,707	\$	411,090	\$	424,738	\$	383,990
	1,191,725		1,123,149		1,047,395		961,067		900,239		828,134
	(12,487)		-		-		-		-		-
	37,959		(132,738)		(65,611)		(156,120)		(118,810)		10,982
	-		321,084		(3,883)		226,678		11,608		11,211
	(457,662)		(453,905)		(382,951)		(395,306)		(470,342)		(277,266)
	1,160,705		1,243,011		1,022,657		1,047,409		747,433		957,051
	15,168,036		13,925,025		12,902,368		11,854,959		11,107,526		10,150,475
\$	16,328,741	\$	15,168,036	\$	13,925,025	\$	12,902,368	\$	11,854,959	\$	11,107,526
\$	238,901	\$	259,625	\$	218,130	\$	214,124	\$	218,903	\$	175,170
	229,301		216,318		195,099		191,152		175,977		175,891
	187,557		151,048		155,403		162,989		158,642		158,054
	491,806		1,346,363		1,525,941		1,041,785		11,458		943,080
	(457,662)		(453,905)		(382,951)		(395,306)		(470,342)		(277,266)
	(63,865)		(62,778)		(63,054)		(52,859)		(70,435)		(69,739)
	626,038		1,456,671		1,648,568		1,161,885		24,203		1,105,190
	14,965,828		13,509,157		11,860,589		10,698,704		10,674,501		9,569,311
\$	15,591,866	\$	14,965,828	\$	13,509,157	\$	11,860,589	\$	10,698,704	\$	10,674,501
\$	736,875	\$	202,208	\$	415,868	\$	1,041,779	\$	1,156,255	\$	433,025
	95.49%		98.67%		97.01%		91.93%		90.25%		96.10%
\$	2,234,127	\$	2,157,825	\$	2,220,009	\$	2,412,232	\$	2,156,109	\$	2,253,905
	32.98%		9.37%		18.73%		43.19%		53.63%		19.21%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS

Last Ten Fiscal Years

Police Employees

	2023	2022	2021	2020
Actuarially determined contribution	\$ 14,284	\$ 94,500	\$ 197,002	\$ 196,087
Contributions in relation to the				
actuarially determined contributions	14,284	94,500	214,932	223,878
Contribution deficiency (excess)	\$ -	\$ -	\$ (17,930)	\$ (27,791)
Covered payroll	\$ 2,641,234	\$ 2,440,793	\$ 2,173,510	\$ 2,211,353
Contributions as a percentage of covered payroll	0.50%	3.9%	9.1%	8.9%

Notes to Schedule

Valuation Date: 10/1/23

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

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019		2018		2017		2016		2015		2014	
\$	204,699	\$	234,459	\$	210,378	\$	214,124	\$	218,903	\$	175,170
	238,901		259,625		218,130		214,124		218,903		175,170
\$	(34,202)	\$	(25,166)	\$	(7,752)	\$	-	\$	-	\$	-
\$	2,234,127	\$	2,157,825	\$	2,220,009	\$	2,412,232	\$	2,156,109	\$	2,253,905
	9.2%		10.9%		9.5%		8.9%		10.2%		7.8%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CHANGES IN NET POSITION LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years
Fire Employees

	2023	2022	2021	2020
Total pension liability				
Service cost	\$ 361,692	\$ 324,358	\$ 335,790	\$ 330,848
Interest	1,255,947	1,200,149	1,185,898	1,170,575
Changes of benefit terms	-	-	69,519	-
Difference between expected and actual experience	121,745	417,259	(12,533)	(8,335)
Changes of assumptions	187,944	175,537	(44,778)	(249,721)
Benefit payments, including refunds of member contributions	(1,161,496)	(1,232,133)	(1,037,051)	(866,650)
Net change in total pension liability	765,832	885,170	496,845	376,717
Total pension liability - beginning	16,900,036	16,014,866	15,518,021	15,141,304
Total pension liability - ending (a)	\$ 17,665,868	\$ 16,900,036	\$ 16,014,866	\$ 15,518,021
 Plan fiduciary net position				
Contribution - employer	\$ 226,330	\$ 389,496	\$ 459,417	\$ 459,690
Contribution - state	285,645	195,911	185,590	140,547
Contribution - employee	160,491	144,468	138,392	130,053
Net investment income	1,458,748	(2,177,517)	2,642,128	1,281,413
Benefit payments, including refunds of member contributions	(1,161,496)	(1,232,133)	(1,037,051)	(866,650)
Administrative expense	(68,609)	(74,609)	(71,622)	(67,126)
Net change in plan fiduciary net position	901,109	(2,754,384)	2,316,854	1,077,927
Plan fiduciary net position - beginning	12,763,145	15,517,529	13,200,675	12,122,748
Plan fiduciary net position - ending (b)	\$ 13,664,254	\$ 12,763,145	\$ 15,517,529	\$ 13,200,675
 Net pension liability - ending (a) - (b)	\$ 4,001,614	\$ 4,136,891	\$ 497,337	\$ 2,317,346
 Plan fiduciary net position as a percentage of the total pension liability	77.35%	75.52%	96.89%	85.07%
 Covered payroll	\$ 2,292,727	\$ 2,063,835	\$ 1,977,033	\$ 1,857,899
Net pension liability as a percentage of covered payroll	174.54%	200.45%	25.16%	124.73%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019	2018	2017	2016	2015	2014
\$ 281,063	\$ 282,331	\$ 274,692	\$ 246,725	\$ 250,317	\$ 229,390
1,148,416	1,157,646	1,133,189	1,079,211	1,057,332	1,033,194
(12,971)	-	-	-	-	-
(194,742)	(306,100)	(103,605)	(66,127)	(223,951)	(123,099)
-	154,133	(59)	307,379	12,388	11,756
(1,107,999)	(1,315,062)	(675,538)	(815,013)	(806,383)	(936,323)
113,767	(27,052)	628,679	752,175	289,703	214,918
15,027,537	15,054,589	14,425,910	13,673,735	13,384,032	13,169,114
\$ 15,141,304	\$ 15,027,537	\$ 15,054,589	\$ 14,425,910	\$ 13,673,735	\$ 13,384,032
\$ 498,650	\$ 479,284	\$ 434,969	\$ 390,264	\$ 362,979	\$ 381,796
155,266	144,344	138,409	154,239	173,333	185,014
130,716	116,807	105,910	104,923	100,309	98,920
414,941	1,086,797	1,267,423	884,745	23,097	824,985
(1,107,999)	(1,315,062)	(675,538)	(815,013)	(806,383)	(936,323)
(68,082)	(65,512)	(68,567)	(59,280)	(71,278)	(68,075)
23,492	446,658	1,202,606	659,878	(217,943)	486,317
12,099,256	11,652,598	10,449,992	9,790,114	10,008,057	9,521,740
\$ 12,122,748	\$ 12,099,256	\$ 11,652,598	\$ 10,449,992	\$ 9,790,114	\$ 10,008,057
\$ 3,018,556	\$ 2,928,281	\$ 3,401,991	\$ 3,975,918	\$ 3,883,621	\$ 3,375,975
80.06%	80.51%	77.40%	72.44%	71.60%	74.78%
\$ 1,867,373	\$ 1,668,674	\$ 1,513,002	\$ 1,554,319	\$ 1,366,711	\$ 1,424,542
161.65%	175.49%	224.85%	255.80%	284.16%	236.99%

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

SCHEDULE OF CONTRIBUTIONS

Last Ten Fiscal Years

Fire Employees

	2023	2022	2021	2020
Actuarially determined contribution	\$ 226,330	\$ 389,796	\$ 429,093	\$ 459,690
Contributions in relation to the actuarially determined contributions	226,330	389,796	459,417	459,690
Contribution deficiency (excess)	\$ -	\$ -	\$ (30,324)	\$ -
Covered payroll	\$ 2,292,727	\$ 2,063,835	\$ 1,977,033	\$ 1,857,899
Contributions as a percentage of covered payroll	9.9%	18.9%	21.7%	24.7%

Notes to Schedule

Valuation Date: 10/1/23

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

Plan Changes in Benefit Terms

There have been no changes in benefits since the prior valuation of all three pension plans.

Changes of Assumptions

For all plans, the interest rate assumption is now 7.45%.

City of Rockledge, Florida
Schedules of Defined Benefit Pension Plans

2019	2018	2017	2016	2015	2014
\$ 481,793	\$ 479,284	\$ 434,969	\$ 390,264	\$ 362,979	\$ 381,796
498,650	479,284	434,969	390,264	362,979	381,796
\$ (16,857)	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 1,867,373	\$ 1,668,674	\$ 1,513,002	\$ 1,554,319	\$ 1,366,711	\$ 1,424,542
25.8%	28.7%	28.7%	25.1%	26.6%	26.8%

City of Rockledge, Florida

Schedules of Defined Benefit Pension Plans

Methods and Assumptions Used to Determine Contribution Rates

	General Employees	Police Employees	Fire Employees
Actuarial cost method:	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method:	Level dollar	Level dollar	Level dollar
Remaining amortization period:	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)	25 Years (as of 10/1/2015)
Asset valuation method :	5 Year smoothed market	5 Year smoothed market	5 Year smoothed market
Inflation:	2.0%	2.0%	2.0%
Payroll increases :	Based on individual salary increase assumptions	Based on individual salary increase assumptions	Based on individual salary increase assumptions
Salary increases :			
0 - 10 years of service (0-12 for general employees)	5.50%	5.50%	6.00%
10+ years of service (12+ for general employees)	4.50%	4.50%	4.50%
*Interest rate:	7.45%	7.45%	7.45%
Retirement age:	Age 65 and 10 years of service or 55 and 25 years of service, whichever produces the higher liability	Age 52 and 10 years of service	Age 52 and 25 years or age 55 and 10 years of service.
Early retirement:	Age 55 and 10 years reduced at 5/9% per month first 60 months and 5/18% thereafter with a minimum benefit of 60% for employees with 25 years credited service.	Age 44 and 25 years or age 50 and 10 years reduced at 3/12% per month with a minimum of 50% for those with 25 years credited service.	Age 45 and 25 years or age 50 and 10 years reduced at 1/4% per month with a minimum of 50% for those with 25 years credited service.
Mortality:	7/01/21 FRS not special risk	7/01/21 FRS special risk	7/01/21 FRS special risk

*Interest rate is compounded annually, net of investment-related expenses, including inflation.

City of Rockledge, Florida Schedules of Defined Benefit Pension Plans

Money-weighted Rate of Return

This schedule is intended to provide information about the actual performance of the pension plan's investment portfolio because it takes into account the effects of transactions that increase the amount of pension plan investments (such as contributions from employers, non-employer contributing entities, and plan members) and those that decrease the amount of pension plan investments (such as benefit payments).

Annual money-weighted rate of return
net of investment expense

General Employees									
2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
11.32%	-14.52%	20.17%	10.59%	3.27%	9.52%	12.40%	9.28%	-0.50%	9.37%
Police Employees									
2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
11.39%	-14.56%	20.74%	10.47%	2.90%	9.59%	12.39%	9.23%	-0.56%	9.20%
Fire Employees									
2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
11.10%	-14.74%	19.85%	10.19%	3.03%	9.17%	12.01%	9.04%	-0.87%	9.00%

City of Rockledge, Florida
Schedules of Other Postemployment Benefits

Year Ending September 30,	2023	2022	2021
Total OPEB liability			
Service Cost	\$ 56,158	\$ 78,867	\$ 75,862
Interest	32,657	22,986	21,531
Differences between expected and actual experience	(109,774)	(114,144)	(60,075)
Changes of assumptions	(53,198)	(128,361)	53,255
Benefit payments	(39,538)	(43,250)	(58,109)
Net change in total OPEB liability	(113,695)	(183,902)	32,464
Total OPEB liability - beginning	775,969	959,871	927,407
Total OPEB liability - ending	\$ 662,274	\$ 775,969	\$ 959,871
Plan fiduciary net position			
Contributions - employer	\$ 39,538	\$ 43,250	\$ 58,109
Contributions - employee	-	-	-
Net investment income	-	-	-
Benefit payments	(39,538)	(43,250)	(58,109)
Administrative expense	-	-	-
Net change in plan fiduciary net position	-	-	-
Plan fiduciary net position - beginning	-	-	-
Plan fiduciary net position - ending	\$ -	\$ -	\$ -
Total OPEB liability	\$ 662,274	\$ 775,969	\$ 959,871
Plan fiduciary net position as a percentage of total OPEB liability	0.00%	0.00%	0.00%
Covered employee payroll	\$10,663,712	\$11,196,740	\$10,799,549
Total OPEB liability as a percentage of covered employee payroll	6.21%	6.93%	8.89%

Note 1: Rate assumption used for each period:

Period	9/30/2023	9/30/2022	9/30/2021
Discount	4.02%	4.02%	2.26%
Inflation	2.00%	2.00%	2.00%

Note 2: There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101

Note 3: GASB 75 requires an employer to disclose a 10-year history. However, until a full 10-year trend is compiled, information will be presented only for those years for which information is available.

City of Rockledge, Florida
Schedules of Other Postemployment Benefits

	2020	2019	2018
\$	63,212	\$ 45,450	\$ 44,639
	21,677	28,740	30,469
	13,711	(22,953)	(66,390)
	99,743	72,699	-
	(45,297)	(45,223)	(60,258)
	153,046	78,713	(51,540)
	774,361	695,648	747,188
\$	927,407	\$ 774,361	\$ 695,648

\$	45,297	\$ 45,223	\$ 60,258
	-	-	-
	-	-	-
	(45,297)	(45,223)	(60,258)
	-	-	-
	-	-	-
	-	-	-
\$	-	\$ -	\$ -

\$	927,407	\$ 774,361	\$ 695,648
	0.00%	0.00%	0.00%

\$ 9,556,748	\$ 9,750,596	\$ 9,183,488
9.70%	7.94%	7.57%

9/30/2020	9/30/2019	9/30/2018
2.21%	2.66%	4.00%
2.00%	2.00%	2.50%

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OTHER SUPPLEMENTARY INFORMATION

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City of Rockledge, Florida
Combining Balance Sheet - Nonmajor Governmental Funds

<u>Special Revenue Funds</u>							
<i>September 30, 2023</i>		Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust		Rockledge Heritage Foundation	Total Nonmajor Governmental funds
ASSETS							
Cash and cash equivalents	\$	50,581	\$ 22,946	\$ 333	\$	1,792	\$ 75,652
Total assets	\$	50,581	\$ 22,946	\$ 333	\$	1,792	\$ 75,652
FUND BALANCES							
Restricted		50,581	22,946	333		1,792	75,652
Total fund balances		50,581	22,946	333		1,792	75,652
Total liabilities and fund balances	\$	50,581	\$ 22,946	\$ 333	\$	1,792	\$ 75,652

City of Rockledge, Florida

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
– Nonmajor Governmental Funds

<i>Year Ended September 30, 2023</i>	Special Revenue Funds				Total Nonmajor Governmental Funds
	Law Enforcement Education	Transportation Impact Fee	Taylor Park Trust	Rockledge Heritage Foundation	
Revenues					
Fines and forfeitures	\$ 3,086	\$ -	\$ -	\$ -	\$ 3,086
Interest	457	211	3	-	671
Total revenues	3,543	211	3	-	3,757
Expenditures					
General government	-	-	-	62	62
Total expenditures	-	-	-	62	62
Excess (deficiency) of revenues over (under) expenditures	3,543	211	3	(62)	3,695
Fund balances, beginning of year	47,038	22,735	330	1,854	71,957
Fund balances, end of year	\$ 50,581	\$ 22,946	\$ 333	\$ 1,792	\$ 75,652

City of Rockledge, Florida

Combining Statement of Net Position - Nonmajor Proprietary Funds

<i>September 30, 2023</i>	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 309,012	\$ 1,071,815	\$ 1,380,827
Prepaid items	-	1,565	1,565
Total current assets	309,012	1,073,380	1,382,392
Capital assets:			
Subscription Based Technology Arrangements	-	107,387	107,387
	-	107,387	107,387
Less accumulated amortization	-	(30,193)	(30,193)
Total capital assets, net of accumulated amortization	-	77,194	77,194
Total noncurrent assets	-	77,194	77,194
Total assets	309,012	1,150,574	1,459,586
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflow of OPEB expense	-	618	618
Deferred outflow of pension expenses	-	145,127	145,127
Total deferred outflow of resources	-	145,745	145,745
LIABILITIES			
Current liabilities (payable from current assets):			
Accounts payable	-	9,140	9,140
Accrued payroll and related liabilities	-	10,648	10,648
Current Portion OPEB liability	-	403	403
Compensated absences	-	18,524	18,524
Current portion of subscription based technology arrangements	-	19,370	19,370
Total current liabilities	-	58,085	58,085
Noncurrent liabilities:			
OPEB liability due after one year	-	6,351	6,351
Net pension liability	-	83,613	83,613
Compensated absences due after one year	-	20,390	20,390
Subscription based technology arrangement due after one year	-	50,920	50,920
Total noncurrent liabilities	-	161,274	161,274
Total liabilities	-	219,359	219,359
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of pension earnings	-	38,806	38,806
Deferred inflows of OPEB earnings	-	2,999	2,999
Total deferred inflows of resources	-	41,805	41,805
NET POSITION			
Net investment in capital assets	-	6,904	6,904
Restricted for:			
Public Safety	-	1,028,251	1,028,251
Capital projects	309,012	-	309,012
Total net position	\$ 309,012	\$ 1,035,155	\$ 1,344,167

City of Rockledge, Florida

**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position –
Nonmajor Proprietary Funds**

<i>Year ended September 30, 2023</i>	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
Operating revenues:			
Charges for services	\$ 178,353	\$ 1,249,555	\$ 1,427,908
Miscellaneous revenue	-	3,315	3,315
Total operating revenues	178,353	1,252,870	1,431,223
Operating expenses:			
Salaries, wages and employee benefits	-	269,046	269,046
Contractual, materials, and supplies	-	145,966	145,966
Repairs and maintenance	-	7,395	7,395
Amortization	-	30,193	30,193
Total operating expenses	-	452,600	452,600
Operating income (loss)	178,353	800,270	978,623
Nonoperating revenues (expenses):			
Interest income	2,511	8,250	10,761
Interest expense	-	(5,108)	(5,108)
Total nonoperating revenues (expenses)	2,511	3,142	5,653
Income (loss) before contributions	180,864	803,412	984,276
Transfers out	-	(83,000)	(83,000)
Change in net position	180,864	720,412	901,276
Net position, beginning of year	128,148	314,743	442,891
Net position, end of year	\$ 309,012	\$ 1,035,155	\$ 1,344,167

City of Rockledge, Florida

Combining Statement of Cash Flows - Nonmajor Proprietary Funds

<i>Year Ended September 30, 2023</i>	Business-type Activities - Enterprise Funds		
	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
Cash flows from operating activities:			
Cash received from customers for sales and services	\$ 178,353	\$ 1,252,870	\$ 1,431,223
Cash payments to employees	-	(224,921)	(224,921)
Cash payments to suppliers for goods and services	-	(285,737)	(285,737)
Net cash provided by operating activities	178,353	742,212	920,565
Cash flows from noncapital financing activities:			
Cash transfers out to other funds	-	(83,000)	(83,000)
Net cash used in noncapital financing activities	-	(83,000)	(83,000)
Cash flows from capital and related financing activities:			
Principal paid on long-term liabilities	-	(37,097)	(37,097)
Interest paid on long-term debt, net of subsidy	-	(5,108)	(5,108)
Net cash provided by (used in) capital and related financing activities	-	(42,205)	(42,205)
Cash flows from investing activities:			
Investment income	2,511	8,250	10,761
Net cash provided by investing activities	2,511	8,250	10,761
Net increase in cash and cash equivalents	180,864	625,257	806,121
Cash and cash equivalents, beginning of year	128,148	446,558	574,706
Cash and cash equivalents, end of year	\$ 309,012	\$ 1,071,815	\$ 1,380,827

<i>Year Ended September 30, 2023</i>	Business-type Activities - Enterprise Funds		
	Nonmajor Sanitation Impact Fee	Nonmajor Building	Total
Reconciliation of operating income (loss) to net cash provided by operating activities:			
Operating income (loss)	\$ 178,353	\$ 800,270	\$ 978,623
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation and amortization	-	30,193	30,193
Change in assets and liabilities:			
Due from other governments	-	(600)	(600)
Prepaid items	-	597	597
Deferred outflows of OPEB expense	-	180,266	180,266
Deferred outflows of pension expenses	-	(139,989)	(139,989)
Increase (decrease) in liabilities:			
Accounts payable	-	(132,373)	(132,373)
Accrued payroll and related liabilities	-	29,768	29,768
Net OPEB obligation	-	(1,006)	(1,006)
Net pension liability	-	(19,102)	(19,102)
Deferred inflows of pension earnings	-	(6,394)	(6,394)
Deferred inflows of OPEB earnings	-	582	582
Total adjustments	-	(58,058)	(58,058)
Net cash provided by operating activities	\$ 178,353	\$ 742,212	\$ 920,565

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STATISTICAL SECTION

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

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A. Financial Trends

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

Schedule A1 Net Position by Component

Schedule A2.1 Changes in Net Position

Schedule A2.2 General Revenues and Other Changes in Net Position

Schedule A3 Fund Balances – Governmental Funds

Schedule A4 Changes in Fund Balances – Governmental Funds

B. Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local own-source revenues - ad valorem property taxes, occupational license taxes, and building permits revenues.

Schedule B1 Value of Taxable Property

Schedule B2 Direct and Overlapping Property Tax Rates

Schedule B3 Principal Property Taxpayers

Schedule B4 Property Tax Levies and Collections

C. Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of debt outstanding and the City's ability to issue additional debt in the future, as necessary.

Schedule C1 Ratios of Outstanding Debt by Type

Schedule C2 Direct and Overlapping Governmental Activities Debt

Schedule C3 Pledged Revenue Coverage

D. Demographic and Economic Information Financial Trends

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Schedule D1 Demographic and Economic Statistics

Schedule D2 Principal Employers

E. Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Schedule E1 Employees by Function/Program

Schedule E2 Operating Indicators by Function/Program

Schedule E3 Capital Asset Statistics by Function/Program

Additional Notes

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

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Schedule A-1

City of Rockledge, Florida Net Position by Component Last Ten Fiscal Years

City of Rockledge, Florida Net Position by Component Last Ten Fiscal Years Schedule A-1				
	2014	2015	2016	2017
Governmental activities				
Net investment in capital assets	\$ 38,708,247	\$ 39,504,354	\$ 40,091,387	\$ 40,126,774
Restricted	1,341,926	1,353,697	1,258,914	2,628,476
Unrestricted	9,166,534	3,048,697	3,368,006	3,769,243
Total governmental activities net position	<u>\$ 49,216,707</u>	<u>\$ 43,906,748</u>	<u>\$ 44,718,307</u>	<u>\$ 46,524,493</u>
Business-type activities				
Net investment in capital assets	\$ 32,636,857	\$ 33,479,991	\$ 35,445,283	\$ 37,817,923
Restricted	2,012,130	2,412,369	2,564,919	2,701,663
Unrestricted	6,589,285	4,043,179	3,003,660	2,846,325
Total business-type activities net position	<u>\$ 41,238,272</u>	<u>\$ 39,935,539</u>	<u>\$ 41,013,862</u>	<u>\$ 43,365,911</u>
Primary government				
Net investment in capital assets	\$ 71,345,104	\$ 72,984,345	\$ 75,536,670	\$ 77,944,697
Restricted	3,354,056	3,766,066	3,823,833	5,330,139
Unrestricted	15,755,819	7,091,876	6,371,666	6,615,568
Total primary government activities net position	<u>\$ 90,454,979</u>	<u>\$ 83,842,287</u>	<u>\$ 85,732,169</u>	<u>\$ 89,890,404</u>

Notes: 1. Accrual Basis of Accounting

- Accounting standards require that net position be reported in three (3) components in the financial statements: net investment in capital assets, restricted and unrestricted.
- Net position is considered restricted only when an external party, such as the state or federal government, places a restriction on how the resources may be used or through enabling legislation enacted by the City.

City of Rockledge, Florida
Net Position by Component
Last Ten Fiscal Years

Schedule A-1

2018	2019	2020	2021	2022	2023
\$ 39,291,479	\$ 42,561,982	\$ 41,969,062	\$ 71,072,994	\$ 70,686,599	\$ 72,485,905
3,227,111	1,876,846	3,613,628	4,793,546	5,999,350	7,278,570
6,549,155	8,117,838	11,228,923	16,707,474	20,313,900	23,882,613
<u>\$ 49,067,745</u>	<u>\$ 52,556,666</u>	<u>\$ 56,811,613</u>	<u>\$ 92,574,014</u>	<u>\$ 96,999,849</u>	<u>\$ 103,647,088</u>
\$ 37,765,234	\$ 36,704,380	\$ 36,828,163	\$ 34,738,386	\$ 38,824,913	\$ 46,259,177
2,399,508	2,794,158	7,129,738	12,071,164	7,458,426	8,145,889
6,551,561	7,629,598	5,772,267	8,383,614	12,377,888	15,004,771
<u>\$ 46,716,303</u>	<u>\$ 47,128,136</u>	<u>\$ 49,730,168</u>	<u>\$ 55,193,164</u>	<u>\$ 58,661,227</u>	<u>\$ 69,409,837</u>
\$ 77,056,713	\$ 79,266,362	\$ 78,797,225	\$ 105,811,380	\$ 109,511,512	\$ 118,745,082
5,626,619	4,671,004	10,743,366	16,864,710	13,457,776	15,424,459
13,100,716	15,747,436	17,001,190	25,091,088	32,691,788	38,887,384
<u>\$ 95,784,048</u>	<u>\$ 99,684,802</u>	<u>\$ 106,541,781</u>	<u>\$ 147,767,178</u>	<u>\$ 155,661,076</u>	<u>\$ 173,056,925</u>

City of Rockledge, Florida
Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.1

Changes in Net Position
Last Ten Fiscal Years
Schedule A-2.1

	2014	2015	2016	2017
Program expenses				
Governmental activities:				
General government	\$ 1,838,034	\$ 1,826,913	\$ 1,772,664	\$ 2,021,945
Administrative services	1,392,686	1,581,902	1,722,151	1,698,634
Mayor and City Council	47,344	42,879	46,318	52,352
City attorney	111,120	102,736	99,409	91,552
Police	5,054,733	5,832,043	5,868,157	5,800,342
Fire	3,569,439	3,774,553	3,938,926	3,800,922
Public Works	2,383,547	2,738,873	2,483,383	2,615,109
Planning and Development	705,539	735,678	1,061,529	632,251
Parks and Recreation	4,987	5,909	2,715	-
Community Relations	35,924	66,997	-	-
Total governmental activities	<u>\$ 15,143,353</u>	<u>\$ 16,708,483</u>	<u>\$ 16,995,252</u>	<u>\$ 16,713,107</u>
Business-type activities:				
Wastewater systems	\$ 4,184,270	\$ 4,349,694	\$ 4,252,809	\$ 3,855,516
Sanitation services	2,561,345	2,622,133	2,524,783	3,160,303
Stormwater utility	789,057	1,158,358	795,707	680,307
Building Department	-	-	-	-
Total business-type activities	<u>\$ 7,534,672</u>	<u>\$ 8,130,185</u>	<u>\$ 7,573,299</u>	<u>\$ 7,696,126</u>
Total primary government activities	<u>\$ 22,678,025</u>	<u>\$ 24,838,668</u>	<u>\$ 24,568,551</u>	<u>\$ 24,409,233</u>
Program revenues				
Governmental activities:				
General government	-	-	\$ 213,798	\$ 144,198
Administrative services	723,088	734,426	2,321	23,792
Police	230,097	168,618	250,380	269,334
Fire	-	-	157,712	144,480
Public Works	125,962	122,783	3,756	36,315
Planning and Development	-	-	306,058	433,762
Parks and Recreation	-	-	98,284	61,276
Community Relations	-	-	99,800	91,750
Operating grants and contributions	-	3,692	-	-
Capital grants and contributions	194,347	356,095	153,330	245,209
Total governmental activities	<u>\$ 1,273,494</u>	<u>\$ 1,385,614</u>	<u>\$ 1,285,439</u>	<u>\$ 1,450,116</u>
Business-type activities:				
Wastewater systems	\$ 4,071,262	\$ 4,497,101	\$ 4,454,505	\$ 4,475,489
Sanitation services	2,529,306	2,537,637	2,511,449	2,673,077
Stormwater utility	785,466	907,419	894,919	932,025
Sanitation Impact Fee	-	-	-	-
Building Department	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	256,012	(64,204)	739,193	2,332,128
Total business-type activities	<u>\$ 7,642,046</u>	<u>\$ 7,877,953</u>	<u>\$ 8,600,066</u>	<u>\$ 10,412,719</u>
Total primary government activities	<u>\$ 8,915,540</u>	<u>\$ 9,263,567</u>	<u>\$ 9,885,505</u>	<u>\$ 11,862,835</u>

City of Rockledge, Florida
Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.1

2018	2019	2020	2021	2022	2023
\$ 2,368,258	\$ 2,773,667	\$ 1,662,696	\$ 1,520,046	\$ 1,379,962	\$ 2,129,468
1,651,826	1,743,873	1,631,846	1,397,781	1,698,464	2,007,505
54,390	56,341	52,452	54,663	67,140	66,600
98,685	100,544	109,935	174,780	183,817	226,586
5,683,051	6,120,622	6,179,375	6,071,467	7,348,836	7,710,081
4,136,215	3,992,360	3,779,001	4,333,160	4,546,332	5,181,749
2,570,645	2,786,969	3,376,741	2,927,536	4,193,975	4,176,841
559,740	526,010	512,019	615,649	426,397	393,417
779	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 17,123,589</u>	<u>\$ 18,100,386</u>	<u>\$ 17,304,065</u>	<u>\$ 17,095,082</u>	<u>\$ 19,844,923</u>	<u>\$ 21,892,247</u>
\$ 3,866,288	\$ 5,048,962	\$ 4,486,995	\$ 4,419,510	\$ 4,954,911	\$ 5,501,898
2,925,296	2,807,127	2,884,179	2,819,006	3,304,774	3,848,922
667,642	1,252,924	739,102	914,229	931,708	968,818
-	-	-	266,627	484,704	457,708
<u>\$ 7,459,226</u>	<u>\$ 9,109,013</u>	<u>\$ 8,110,276</u>	<u>\$ 8,419,372</u>	<u>\$ 9,676,097</u>	<u>\$ 10,777,346</u>
<u>\$ 24,582,815</u>	<u>\$ 27,209,399</u>	<u>\$ 25,414,341</u>	<u>\$ 25,514,454</u>	<u>\$ 29,521,020</u>	<u>\$ 32,669,593</u>
\$ 161,795	\$ 161,062	\$ 171,252	\$ 211,454	\$ 92,213	\$ 91,116
29,765	26,055	23,798	325	-	-
301,647	300,701	290,838	387,378	276,599	426,624
150,086	165,202	150,203	3,700	2,900	2,750
4,905	9,009	7,719	176,987	144,242	25,068
652,222	814,838	913,433	115,746	225,036	226,290
52,778	107,822	76,470	94,292	-	-
180,140	273,000	266,250	99,699	-	-
-	-	-	309,146	10,122	16,716
105,821	107,756	173,257	30,180,656	2,297,816	5,948,769
<u>\$ 1,639,159</u>	<u>\$ 1,965,445</u>	<u>\$ 2,073,220</u>	<u>\$ 31,579,383</u>	<u>\$ 3,048,928</u>	<u>\$ 6,737,333</u>
\$ 4,613,243	\$ 4,716,016	\$ 4,883,363	\$ 5,103,545	\$ 5,344,838	\$ 5,597,154
2,771,980	2,875,388	3,414,958	3,621,703	3,903,423	4,169,410
1,072,130	1,112,707	1,163,377	1,177,431	1,247,926	1,284,310
-	-	47,128	37,590	43,305	178,353
-	-	-	489,411	738,498	1,249,555
-	66,015	51,060	-	2,721	15,470
2,739,968	1,025,255	1,503,789	3,866,277	883,714	5,542,498
<u>\$ 11,197,321</u>	<u>\$ 9,795,381</u>	<u>\$ 11,063,675</u>	<u>\$ 14,295,957</u>	<u>\$ 12,164,425</u>	<u>\$ 18,036,750</u>
<u>\$ 12,836,480</u>	<u>\$ 11,760,826</u>	<u>\$ 13,136,895</u>	<u>\$ 45,875,340</u>	<u>\$ 15,213,353</u>	<u>\$ 24,774,083</u>

City of Rockledge, Florida
General Revenues and Other Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.2

General Revenues and Other Changes in Net Position
Last Ten Fiscal Years
Schedule A-2.2

	2014	2015	2016	2017
Net (expense) revenue				
Governmental activities	\$ (13,869,859)	\$ (15,322,869)	\$ (15,709,813)	\$ (15,262,991)
Business-type activities	107,374	(252,232)	1,026,767	2,716,593
Total primary government net expense	<u>\$ (13,762,485)</u>	<u>\$ (15,575,101)</u>	<u>\$ (14,683,046)</u>	<u>\$ (12,546,398)</u>
General revenues and other changes in net position				
Governmental activities:				
General revenues:				
Taxes:				
Property taxes, levied for general purposes	\$ 6,895,640	\$ 7,313,823	\$ 7,715,035	\$ 8,227,077
Gas Tax	728,245	772,807	852,134	890,542
Sales Tax	1,269,330	1,352,324	1,420,502	1,537,609
Franchise fees	1,640,774	1,676,139	1,614,889	1,629,519
Other taxes	3,676,335	3,698,333	3,334,088	3,262,780
State revenue sharing	732,881	794,957	828,610	895,795
Fines and Forfeitures	-	-	-	-
Investment earnings	17,540	76,450	123,346	83,813
Miscellaneous	269,487	423,839	478,158	146,042
Gain (loss) on sale of capital assets	-	-	-	-
Transfers, net	-	-	-	396,000
Total government activities	<u>\$ 15,230,232</u>	<u>\$ 16,108,672</u>	<u>\$ 16,366,762</u>	<u>\$ 17,069,177</u>
Business-type activities:				
Investment earnings	\$ 40,137	\$ 52,921	\$ 51,556	\$ 31,456
Transfers, net	-	-	-	(396,000)
Miscellaneous	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-
Total business-type activities	<u>\$ 40,137</u>	<u>\$ 52,921</u>	<u>\$ 51,556</u>	<u>\$ (364,544)</u>
Total primary government activities	<u>\$ 15,270,369</u>	<u>\$ 16,161,593</u>	<u>\$ 16,418,318</u>	<u>\$ 16,704,633</u>
Changes in net position				
Governmental activities	\$ 1,360,373	\$ 785,803	\$ 656,949	\$ 1,806,186
Business-type activities	147,511	(199,311)	1,078,323	2,352,049
Total primary government net (expense) revenue	<u>\$ 1,507,884</u>	<u>\$ 586,492</u>	<u>\$ 1,735,272</u>	<u>\$ 4,158,235</u>

City of Rockledge, Florida
General Revenues and Other Changes in Net Position
Last Ten Fiscal Years

Schedule A-2.2

2018	2019	2020	2021	2022	2023
\$ (15,484,430)	\$ (16,134,941)	\$ (15,230,845)	\$ 14,484,301	\$ (16,795,995)	\$ (15,154,914)
3,738,095	686,368	2,906,271	5,876,585	2,488,328	7,259,404
\$ (11,746,335)	\$ (15,448,573)	\$ (12,324,574)	\$ 20,360,886	\$ (14,307,667)	\$ (7,895,510)
\$ 8,859,777	\$ 9,592,716	\$ 10,212,787	\$ 11,051,399	\$ 11,424,899	\$ 12,894,707
843,109	928,929	875,842	885,741	958,034	970,171
1,625,531	1,626,160	1,557,760	1,769,809	2,005,609	2,057,675
1,607,366	1,673,118	1,637,012	1,733,682	2,040,696	2,263,240
3,507,282	3,537,037	3,472,293	3,994,554	3,634,845	4,046,699
935,071	982,855	895,558	1,067,049	1,850,642	2,098,739
-	-	-	-	42,358	78,184
27,232	310,740	261,618	33,748	(25,004)	584,656
256,675	200,421	176,922	459,419	299,258	126,154
-	-	-	-	(3,749)	(68,606)
396,000	396,000	396,000	394,839	(1,005,758)	(3,249,466)
\$ 18,058,043	\$ 19,247,976	\$ 19,485,792	\$ 21,390,240	\$ 21,221,830	\$ 21,802,153
\$ 19,248	\$ 118,625	\$ 91,070	\$ 12,340	\$ (36,532)	\$ 204,453
(396,000)	(396,000)	(396,000)	(394,839)	1,005,758	3,249,466
-	2,840	-	-	2,027	3,315
-	-	691	-	8,482	31,972
\$ (376,752)	\$ (274,535)	\$ (304,239)	\$ (382,499)	\$ 979,735	\$ 3,489,206
\$ 17,681,291	\$ 18,973,441	\$ 19,181,553	\$ 21,007,741	\$ 22,201,565	\$ 25,291,359
\$ 2,573,613	\$ 3,113,035	\$ 4,254,947	\$ 35,874,541	\$ 4,425,835	\$ 6,647,239
3,361,343	411,833	2,602,032	5,494,086	3,468,063	10,748,610
\$ 5,934,956	\$ 3,524,868	\$ 6,856,979	\$ 41,368,627	\$ 7,893,898	\$ 17,395,849

City of Rockledge, Florida
Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-3

Fund Balances, Governmental Funds
Last Ten Fiscal Years
Schedule A-3

	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 221,197	\$ 189,189	\$ 217,064	\$ 241,429
Restricted	256,826	259,999	312,964	329,903
Committed	-	-	-	-
Assigned	575,978	549,463	464,150	497,239
Unassigned	8,977,409	9,302,830	9,765,203	10,980,108
Total General Fund	<u>\$ 10,031,410</u>	<u>\$ 10,301,481</u>	<u>\$ 10,759,381</u>	<u>\$ 12,048,679</u>
All Other Governmental Funds				
Nonspendable	\$ 4,376	\$ 4,413	\$ 6,022	\$ 6,246
Restricted	1,080,724	1,089,285	945,950	1,372,893
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 1,085,100</u>	<u>\$ 1,093,698</u>	<u>\$ 951,972</u>	<u>\$ 1,379,139</u>

Notes: 1. Modified accrual basis of accounting.

City of Rockledge, Florida
Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-3

2018	2019	2020	2021	2022	2023
\$ 269,353	\$ 116,759	\$ 269,427	\$ 305,010	\$ 356,131	\$ 430,454
332,270	426,217	779,458	490,344	344,935	332,084
-	-	-	-	-	-
2,145,518	500,000	1,050,621	1,115,015	1,277,145	1,420,127
<u>11,667,675</u>	<u>13,790,315</u>	<u>14,826,421</u>	<u>18,305,868</u>	<u>21,015,161</u>	<u>25,167,388</u>
<u>\$ 14,414,816</u>	<u>\$ 14,833,291</u>	<u>\$ 16,925,927</u>	<u>\$ 20,216,237</u>	<u>\$ 22,993,372</u>	<u>\$ 27,350,053</u>
\$ 6,091	-	\$ 5,583	\$ 5,279	\$ 6,052	\$ 6,050
1,969,161	1,450,629	3,092,215	4,303,202	5,654,415	6,946,486
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 1,975,252</u>	<u>\$ 1,450,629</u>	<u>\$ 3,097,798</u>	<u>\$ 4,308,481</u>	<u>\$ 5,660,467</u>	<u>\$ 6,952,536</u>

City of Rockledge, Florida
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-4

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years
Schedule A-4

	2014	2015	2016	2017
Revenues				
Property Taxes	\$ 6,895,640	\$ 7,313,823	\$ 7,727,291	\$ 8,239,607
Other Local Taxes	3,315,430	3,349,023	3,317,832	3,245,825
Licenses, permits and fees	1,892,566	1,917,529	1,889,132	2,022,603
Intergovernmental revenues	3,410,296	3,754,153	3,610,175	3,944,106
Charges for services	642,835	598,710	654,636	281,740
Fines and forfeitures	46,524	51,921	16,330	19,848
Investment earnings	17,539	76,449	121,068	80,843
Miscellaneous revenues	322,897	474,677	315,737	308,721
Total Revenues	\$ 16,543,727	\$ 17,536,285	\$ 17,652,201	\$ 18,143,293
Expenditures				
General government	\$ 1,654,701	\$ 2,056,793	\$ 1,883,114	\$ 1,857,301
Administrative offices	1,414,050	1,457,193	1,716,038	1,669,364
Mayor and Council	47,344	42,879	46,318	52,352
City Attorney	110,782	102,366	99,409	91,552
Police	5,310,575	5,280,704	5,718,226	5,638,668
Fire	3,831,257	4,254,664	3,710,317	3,600,565
Public Works	2,555,203	2,582,095	2,708,520	2,639,781
Planning and development	1,282,820	1,205,316	1,025,952	814,595
Parks and recreation	-	852	-	-
Community relations	35,924	66,997	-	-
Debt service				
Principal	618,231	694,839	732,418	808,686
Interest	61,614	52,910	50,334	46,960
Total Expenditures	\$ 16,922,501	\$ 17,797,608	\$ 17,690,646	\$ 17,219,824
Excess of revenues over (under) expenditures	\$ (378,774)	\$ (261,323)	\$ (38,445)	\$ 923,469
Other financing sources (uses)				
Transfers in	\$ 533,097	\$ 559,152	\$ 616,138	\$ 1,140,375
Subscription based technology arrangements	-	-	-	-
Transfers out	(533,097)	(559,152)	(616,138)	(744,375)
Sale of capital assets	-	-	-	-
Issuance of debt	500,000	540,000	200,000	396,996
Total other financing sources	\$ 500,000	\$ 540,000	\$ 200,000	\$ 792,996
Net change in fund balances	\$ 121,226	\$ 278,677	\$ 161,555	\$ 1,716,465
Expenditure for capital assets	\$ 1,810,461	\$ 1,904,388	\$ 1,416,473	\$ 1,074,417
Debt service as a percentage of non-capital expenditures	4.499%	4.705%	4.810%	5.300%

Notes:

1. Modified accrual basis of accounting.
2. Rise of debt service percentage in Fiscal Year 2017 is attributed to increased borrowing on the CRA Line of Credit for Barton Boulevard property and the maturation of the loan on a 6.3 acre parcel.

City of Rockledge, Florida
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years

Schedule A-4

2018	2019	2020	2021	2022	2023
\$ 8,890,607	\$ 9,592,716	\$ 10,212,787	\$ 11,051,399	\$ 11,424,899	\$ 12,894,707
3,472,502	3,537,037	3,472,293	5,147,735	5,675,541	6,309,939
2,236,311	2,487,956	2,415,302	329,500	224,961	229,040
4,028,147	4,333,589	4,184,316	4,612,246	7,031,171	11,077,429
328,744	329,910	410,037	592,062	491,641	542,809
27,832	25,052	38,838	168,019	42,358	60,236
23,570	310,740	261,618	32,101	(26,641)	584,656
293,488	200,421	141,579	459,419	221,020	126,152
<u>\$ 19,301,201</u>	<u>\$ 20,817,421</u>	<u>\$ 21,136,770</u>	<u>\$ 22,392,481</u>	<u>\$ 25,084,950</u>	<u>\$ 31,824,968</u>
\$ 1,875,292	\$ 2,193,749	\$ 1,483,154	\$ 1,407,330	\$ 1,590,178	\$ 1,668,364
1,982,491	1,758,350	1,643,164	1,408,269	1,649,361	2,024,592
54,390	56,341	52,452	54,663	67,140	66,600
112,185	115,244	125,835	174,543	183,746	226,600
6,126,901	6,036,279	6,229,320	6,127,442	6,897,038	7,360,961
4,560,822	5,609,609	3,940,178	4,067,163	4,361,710	5,268,026
2,752,508	2,826,670	3,531,402	3,423,148	3,846,706	4,272,203
335,428	1,805,058	168,410	1,082,881	895,564	2,062,030
-	1,941	36,707	-	-	-
-	-	-	-	-	-
910,370	844,247	520,710	489,090	494,922	451,520
86,032	74,184	61,633	51,798	41,944	31,795
<u>\$ 18,796,419</u>	<u>\$ 21,321,672</u>	<u>\$ 17,792,965</u>	<u>\$ 18,286,327</u>	<u>\$ 20,028,309</u>	<u>\$ 23,432,691</u>
\$ 504,782	\$ (504,251)	\$ 3,343,805	\$ 4,106,154	\$ 5,056,641	\$ 8,392,277
\$ 1,389,415	\$ 1,458,308	\$ 1,614,215	\$ 2,129,554	\$ 2,658,068	\$ 4,575,868
-	-	-	-	-	487,294
(993,415)	(1,062,308)	(1,218,215)	(1,734,715)	(3,663,826)	(7,825,334)
-	-	-	-	78,238	18,645
2,061,468	-	-	-	-	-
<u>\$ 2,457,468</u>	<u>\$ 396,000</u>	<u>\$ 396,000</u>	<u>\$ 394,839</u>	<u>\$ (927,520)</u>	<u>\$ (2,743,527)</u>
<u>\$ 2,962,250</u>	<u>\$ (108,251)</u>	<u>\$ 3,739,805</u>	<u>\$ 4,500,993</u>	<u>\$ 4,129,121</u>	<u>\$ 5,648,750</u>
\$ 1,852,671	\$ 3,727,710	\$ 587,722	\$ 1,448,160	\$ 1,502,221	\$ 4,673,778
5.881%	5.220%	3.385%	3.212%	2.898%	2.576%

City of Rockledge, Florida
Value of Taxable Property
Last Ten Fiscal Years

Schedule B-1

Value of Taxable Property
Last Ten Fiscal Years
Schedule B-1

Fiscal Year	Taxable Value Real Property for Operating Purposes	Personal Property for Operating Purposes	Gross Taxable Value
2014	\$ 964,779,040	\$ 85,341,696	\$ 1,050,120,736
2015	1,024,828,597	84,232,542	1,109,061,139
2016	1,092,295,133	86,668,652	1,178,963,785
2017	1,181,388,833	84,202,819	1,265,591,652
2018	1,273,798,195	80,889,186	1,354,687,381
2019	1,384,585,365	85,268,246	1,469,853,611
2020	1,491,446,597	85,903,588	1,577,350,185
2021	1,610,301,451	97,305,597	1,707,607,048
2022	1,680,982,486	104,868,398	1,785,850,884
2023	1,959,548,229	108,210,381	2,067,758,610

Source: Brevard County Property Appraiser (Form DR-420)

Notes: * Final taxable value determined after Valuation Board rulings.

** The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value. A millage of 5.82, which is the current (Fiscal Year 2023) rate in effect for the City of Rockledge is equal to \$5.82 for each \$1,000 of taxable value on real property.

Property is assessed at actual value and therefore a separate table for assessed and actual data is not presented.

City of Rockledge, Florida
Value of Taxable Property
Last Ten Fiscal Years

Schedule B-1

New Construction Taxable Value		Adjusted Taxable Value		Final Taxable Value*		Millage Rate**
\$	6,763,020	\$	1,043,357,716	\$	1,050,146,848	6.3658
	13,695,080		1,095,366,059		1,112,610,814	6.3500
	16,846,130		1,162,117,655		1,177,107,782	6.3400
	12,376,670		1,253,214,982		1,262,671,589	6.2500
	12,836,643		1,341,850,738		1,357,786,274	6.2000
	17,433,678		1,452,419,933		1,471,291,549	6.1500
	25,257,644		1,552,092,541		1,580,096,556	6.1000
	32,224,704		1,675,382,344		1,713,846,865	6.0500
	15,873,774		1,769,977,110		1,789,281,182	5.9900
	92,817,670		1,974,940,940		2,071,936,810	5.8200

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City of Rockledge, Florida
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Schedule B-2

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years

Schedule B-2

City Direct Rates		Overlapping Rates				
Fiscal Year	Basic Rate *	Brevard County	Brevard County Schools		Other **	Total Millage
			Operating	Capital Outlay		
2014	6.3658	6.2566	6.1060	1.5000	0.3628	20.5912
2015	6.3500	6.1815	5.8390	1.5000	0.3509	20.2214
2016	6.3400	6.0973	5.7750	1.5000	0.3343	20.0466
2017	6.2500	5.9748	5.4160	1.5000	0.3205	19.4613
2018	6.2000	5.7139	5.0680	1.5000	0.3044	18.7863
2019	6.1500	5.4432	4.7990	1.5000	0.2882	18.1804
2020	6.1000	5.2553	4.5860	1.5000	0.2734	17.7147
2021	6.0500	5.0381	4.4420	1.5000	0.2607	17.2908
2022	5.9900	4.8700	4.3500	1.5000	0.2509	16.9609
2023	5.8200	4.4631	3.9950	1.5000	0.2294	16.0075

Source: Brevard County Property Appraiser website.

Notes: * The rate used in the calculation for property taxes. One mil equals \$1 per \$1,000 of taxable value.
The tax rate on real property is based on \$1 per \$1,000 of assessed property value.

** "Other" includes Florida Inland Navigation District and St. John's River Water Management District.

Overlapping rates are those of local and county governments that apply to property owners within the City of Rockledge.

The total millage column applies to all property owners within the City limits.

Schedule B-3

City of Rockledge, Florida Principal Property Taxpayers Current Year and Nine Years Prior

City of Rockledge, Florida Principle Property Taxpayers Current Year and Nine Years Ago Schedule B-3

Taxpayer	2023		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MPT of Rockledge-Steward LLC (Rockledge Regional Medical Center)	\$51,954,260	1	2.90%
CA Rockledge Flats Owner LLC	\$43,013,920	2	2.40%
Shell Harbor Retirement Community LLC	\$23,118,870	3	1.29%
Premium Edge LLC	\$16,611,620	4	
Rockledge Apartments LLC (Southgate Apartments)	12,507,000	5	0.70%
Fountain Development LLC (Fountain Villas)	11,712,800	6	0.65%
Ventura at Turtle Creek LLC (Lexmark Ln-LPI Rockledge LLC)	11,426,800	7	0.64%
Ventura at Turtle Creek LLC (Alafaya Ln-LPI Rockledge LLC)	10,946,100	8	0.61%
Woodhaven Properties LLC (Woodhaven Apartments)	8,866,640	9	0.50%
Lowe's Home Centers Inc	8,779,850	10	0.49%
Aquarius Equity LLC	7,573,680	11	0.42%
Hammock Harbor LLLP	7,548,200	12	0.42%
Rockledge Properties LLC	5,747,900	13	0.32%
23-25 First Realty Corp	5,654,000	14	0.32%
Hydro Aluminum Automotive Inc	5,324,740	15	0.30%
MHC Indian Oaks LLC	5,093,000		0.28%
Publix Super Markets Inc (Publix on Barnes & Murrell)	5,013,800		0.28%
Rockledge HMA LLC (Wuesthoff Health System-Rockledge)	-	-	-
PMAT Melbourne LLC (Rockledge Square)	-	-	-
Gateway Monroe Inc	-	-	-
Salem Rockledge LLC	-	-	-
TOTALS	<u>\$240,893,180</u>		<u>12.52%</u>
Total City final taxable value	<u>\$1,789,281,182</u>		

Source: Brevard County Property Appraiser

Multiple properties may be included in some taxable assessed value totals

City of Rockledge, Florida
Principal Property Taxpayers
Current Year and Nine Years Prior

Schedule B-3

2014		
<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total City Taxable Assessed Value</u>
-	-	-
-	-	-
-	-	-
-	-	-
4,040,000	5	0.38%
5,747,500	2	0.55%
-	-	-
-	-	-
4,225,000	4	0.40%
5,225,000	3	0.50%
-	-	-
-	-	-
-	-	-
-	-	-
3,200,000	9	0.30%
3,515,000	6	0.33%
35,039,860	1	3.34%
3,400,000	8	0.32%
3,500,000	7	0.33%
2,787,450	10	0.27%
<u>\$70,679,810</u>		<u>6.73%</u>
<u>\$1,050,146,848</u>		

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City of Rockledge, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Schedule B-4

Property Tax Levies and Collections
Last Ten Fiscal Years
Schedule B-4

Fiscal Year	Collected Within the Fiscal Year of the Levy				Total Collections		
	Gross Tax Levy (1)	Amount	Percentage of Levy	Current Year Collections for Prior Years	Amount	Percentage of Levy	
2014	\$ 6,676,834	\$ 6,433,128	96.35%	\$ 7,166	\$ 6,440,294	96.46%	
2015	7,065,079	6,662,284	94.30%	160,388	6,822,672	96.57%	
2016	7,462,863	7,058,154	94.58%	146,217	7,204,371	96.54%	
2017	7,891,697	7,443,985	94.33%	170,698	7,614,683	96.49%	
2018	8,418,275	7,999,369	95.02%	143,463	8,142,832	96.73%	
2019	9,048,443	8,598,026	95.02%	194,106	8,792,132	97.17%	
2020	9,638,589	9,091,146	94.32%	225,794	9,316,940	96.66%	
2021	10,368,774	9,830,738	94.81%	194,296	10,025,034	96.68%	
2022	10,717,794	10,208,443	95.25%	185,425	10,393,868	96.98%	
2023	12,058,672	11,430,892	94.79%	206,238	11,637,130	96.50%	

Source: (1) Form DR-420 Final Taxable Value Line 7, multiplied by millage rate, less allowance for adjustments and discounts.

Notes: Reference the Financial Statement, Note 1.I.
Current Year Collections includes prior year taxes and penalties collected.

City of Rockledge, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule C-1

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule C-1

Governmental Activities					
Fiscal Year	CRA Barton Boulevard Loan	Public Safety Capital Improvement Loan	CRA Malloy LOC	6.3 Acre Property	
2014	\$ 2,000,000	\$ 1,304,353	\$ 390,275	-	
2015	1,750,000	1,039,514	560,275	180,000	
2016	1,500,000	767,452	579,919	150,000	
2017	1,250,000	486,266	736,915	112,500	
2018	1,000,000	2,331,636	330,143	75,000	
2019	750,000	2,105,032	-	37,500	
2020	500,000	1,871,823	-	-	
2021	250,000	1,632,733	-	-	
2022	-	1,387,811	-	-	
2023	-	1,136,796	-	-	

Notes: Percentage of personal income and per capita amounts calculated from information in Table D-1*.

See Note 6 for a detailed discussion of each outstanding note.

*Data for percentage of personal income and per capita columns are calculated from the Economic Development Commission of Florida's Space Coast report data.

City of Rockledge, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Schedule C-1

Business-Type Activities							
Sewer Refunding Revenue Bonds Series 2001	State of Florida Revolving Fund	Storm Water Huntington Lakes Loan	Wastewater Series 2021 Note	Total Debt of Primary Government	Debt as Percentage of Personal Income	Debt Per Capita	
\$ 2,109,000	\$ 1,242,873	\$ 100,000	-	\$ 7,146,501	0.96%	\$ 281	
1,599,000	1,092,999	100,000	-	6,321,788	0.84%	245	
1,080,000	922,373	103,042	-	5,102,786	0.66%	195	
547,000	779,293	-	-	3,911,974	0.47%	148	
-	599,475	-	-	4,336,254	0.50%	162	
-	435,545	-	-	3,328,077	0.38%	122	
-	266,414	-	-	2,638,237	0.28%	94	
-	91,922	-	4,672,509	6,647,164	0.71%	236	
-	-	-	4,231,686	5,619,497	0.55%	196	
-	-	-	3,783,708	4,920,504	0.44%	172	

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Schedule C-2

City of Rockledge, Florida Direct and Overlapping Governmental Activities Debt As of September 30, 2023

Direct and Overlapping Governmental Activities Debt As of September 30, 2023 Schedule C-2

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
City Direct Debt (governmental activities) (a)	\$1,136,796	100.00%	\$1,136,796
Overlapping Debt			
Brevard County:			
Governmental activities debt (b)	<u>137,964,495</u>	4.4107%	<u>6,085,214</u>
Total Direct and Overlapping Debt	<u>\$139,101,291</u>		<u>\$7,222,010</u>

Sources: (a) City of Rockledge ACFR Fiscal Year 2023 Statistical Table C-1.
(b) Brevard County Finance Department - ACFR Fiscal Year 2022, Table 7 and 11.

Notes: Percentage based on the 2022 final taxable assessed City and County valuation.

City of Rockledge, Florida
Pledged Revenue Coverage
Last Ten Fiscal Years

Schedule C-3

Pledged Revenue Coverage
Last Ten Fiscal Years
Schedule C-3

Capital Improvement Note, Series 2009

Fiscal Year	Utility Taxes and Franchise Fees		Debt Service		Coverage
			Principal	Interest	
2014	\$	3,750,218	\$ 258,506	\$ 40,581	12.54
2015		3,734,126	264,839	34,248	12.49
2016		4,087,002	272,062	27,025	13.66
2017		3,822,767	281,186	17,901	12.78
2018		3,963,903	216,098	46,689	15.08
2019		4,049,682	226,604	56,207	14.32
2020		4,013,755	233,210	49,600	14.19
2021		4,181,985	239,090	43,720	14.79
2022		4,666,394	244,922	37,888	16.50
2023		5,245,368	251,015	31,795	18.55

Notes: (1) On December 7, 2017, a loan modification was made to lower the interest rate on the note to 2.50%, and to borrow an additional \$2,061,468 to fund the reconstruction of Fire Station 36, after the damaging effects of Hurricane Irma.

Community Redevelopment Agency Revenue Note, Series 2005

Fiscal Year	CRA Revenues (3)	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2014	\$ 1,010,328	\$ 1,092,547	\$ (82,219)	\$ 250,000	\$ 9,675	(0.32)
2015	1,121,899	978,105	143,794	250,000	8,591	0.56
2016	1,135,550	1,019,259	116,291	250,000	7,519	0.45
2017	1,360,796	814,595	546,201	250,000	6,438	2.13
2018	1,627,962	348,928	1,279,034	250,000	19,997	4.74
2019	1,880,849	1,819,758	61,091	250,000	16,033	0.23
2020	2,126,527	184,310	1,942,217	250,000	12,033	7.41
2021	2,493,914	1,357,759	1,136,155	250,000	8,078	4.40
2022	2,568,158	1,166,420	1,401,738	250,000	4,056	5.52
2023	-	-	-	-	-	-

Notes: (1) The note's interest rate is the 5-year U.S. Treasury rate minus 30 basis points, initially 3.49%, adjustable on January 31, 2012 and every five years thereafter.

(2) Effective interest rates for the note were 3.49% (issuance to 2012), 0.43% (2012 to 2017), and 1.6% (2017 to 2022, the maturity date).

(3) CRA revenues includes transfers in.

City of Rockledge, Florida
Pledged Revenue Coverage (Continued)
Last Ten Fiscal Years

Schedule C-3

Capital Improvement Note, Series 2021

Fiscal Year	Sewer System Net Revenues	Debt Service		Coverage
		Principal	Interest	
2021	\$ 1,471,161	\$ 77,491	\$ 8,441	17.12
2022	2,329,903	440,823	74,768	4.52
2023	8,531,753	447,978	67,613	16.55

Notes: (1) The Net Revenues, after deduction of the cost of operation and maintenance received from the City's Wastewater Enterprise Fund and the moneys and investment income therefrom are irrevocably pledged to the payment of principal and interest on the Series 2021 note. However, the note does not constitute a general obligation or indebtedness of the City nor does it constitute a lien on any property of the City.

Sewer Revenue Bonds, Series 2001 and Series 2011

Fiscal Year	Sewer System Revenues	Operating Expenses	Net Revenues	Debt Service		Coverage
				Principal	Interest	
2014	4,071,262	3,028,178	\$ 1,043,084	499,000	53,903	1.89
2015	4,423,101	3,114,638	1,308,463	510,000	43,009	2.37
2016	4,454,505	3,045,867	1,408,638	519,000	31,899	2.56
2017	4,482,292	2,611,081	1,871,211	533,000	20,561	3.38
2018	4,613,243	2,675,336	1,937,907	547,000	8,687	3.49
2019	-	-	-	-	-	-
2020	-	-	-	-	-	-
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-

Notes: (1) Operating expenses exclude depreciation and amortization.
(2) Interest reported is actual interest expenses paid, exclusive of any amortization of defeased refunded bond cost(s) and issuance discount(s).
(3) The final payment on the Sewer Revenue Bonds, Series 2011 was made on September 12, 2018.

City of Rockledge, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years

Schedule D-1

City of Rockledge, Florida
Demographic and Economic Statistics
Last Ten Fiscal Years
Schedule D-1

Year	Population	Personal Income	Per Capita Personal Income	Median Age	Unemployment Rate	School Enrollment
	(1)	(2)	(3)	(4)	(5)	(6)
2014	25,477	748,310,444	29,372	45.7	8.3%	3,828
2015	25,798	756,706,936	29,332	45.5	6.9%	3,879
2016	26,144	772,267,616	29,539	46.1	5.7%	3,868
2017	26,497	831,926,309	31,397	46.6	4.4%	3,930
2018	26,860	862,152,280	32,098	46.0	3.0%	3,882
2019	27,292	889,500,864	32,592	46.6	2.4%	3,298
2020	28,142	940,646,350	33,425	46.8	4.7%	3,646
2021	28,316	940,657,520	33,220	46.8	4.5%	3,890
2022	28,490	1,016,751,120	35,688	46.2	2.3%	3,628
2023	28,774	1,122,790,254	39,021	45.9	2.5%	3,603

Sources:

- (1) Economic Development Commission of Florida's Space Coast
- (2) Estimate (1) x (3)
- (3) Economic Development Commission of Florida's Space Coast
- (4) Economic Development Commission of Florida's Space Coast
- (5) Economic Development Commission of Florida's Space Coast
- (6) Brevard County Public Schools Include Rockledge High School

Kennedy Middle School / McNair Middle School

Golfview Elementary School / Andersen Elementary School

Schedule D-2

City of Rockledge, Florida Principal Employers For the Current Year and Nine Years Prior

City of Rockledge, Florida Principal Employers Current Year and Nine Years Ago Schedule D-2

Employer	2023			2014		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
	(Range)					
Brevard Public Schools	9,000 - 9,999	1	4.22%	9,270	1	4.90%
Health First Medical Group LLC	7,000 - 7,999	2	3.37%	7,800	2	4.13%
L3Harris Technologies Inc	7,000 - 7,999	3	3.30%	5,910	3	3.13%
Publix Super Markets Inc	3,000 - 3,999	4	1.61%	3,220	4	1.70%
Northrop Grumman Systems Corporation	3,000 - 3,999	5	1.59%	1,450	12	0.77%
Wal-Mart Associates Inc	3,000 - 3,999	6	1.39%	3,150	5	1.67%
Brevard County Government	2,000 - 2,999	7	0.97%	2,420	6	1.27%
Blue Origin Florida LLC	2,000 - 2,999	8	0.96%	-	-	-
National Aeronautics and Space Administration	2,000 - 2,999	9	0.87%	2,050	8	1.08%
Florida Institute of Technology Inc	1,000 - 1,999	10	0.79%	1,380	13	0.73%
New Rockwell Collins Inc.	1,000 - 1,999	11	0.71%	1,550	10	0.82%
Lockheed Martin Corporation	1,000 - 1,999	12	0.61%	1,050	15	0.56%
Space Exploration Technologies Corp	1,000 - 1,999	13	0.60%	-	-	-
United States Space Force (Space Launch Delta 45)	1,000 - 1,999	14	0.57%	2,110	7	1.12%
Brevard County Sheriff Office	1,000 - 1,999	15	0.51%	1,200	14	0.63%
Jacobs Technology Inc	1,000 - 1,999	16	0.49%	-	-	-
TOTALS	N/A		22.56%	42,560		22.51%

Sources: Department of Economic Opportunity, Data 2023Q1 (most recent available)
Bureau of Labor Statistics.

Notes: Employers include retail operations.
Employment figures are for Brevard County.
Exact employment numbers are no longer available as of 2016 for security reasons per the EDC.

Schedule E-1

Schedule E-1

Full-Time Equivalent Employees
as of September 30

Function/Program	2014	2015	2016	2017
General Government	16.00	16.00	16.00	16.00
Police	72.50	72.00	73.50	80.50
Fire	39.00	39.00	39.00	39.00
Public Works	38.00	38.00	38.00	39.00
Planning and Development	2.00	2.00	2.00	2.00
Building	-	-	-	-
Sanitation	41.00	41.00	41.00	41.00
Stormwater	3.00	3.00	3.00	3.00
Wastewater	27.00	27.00	27.00	27.00
TOTALS	<u><u>238.50</u></u>	<u><u>238.00</u></u>	<u><u>239.50</u></u>	<u><u>247.50</u></u>

Source: City Finance and Personnel Departments.

Notes:

Refers to the number of personnel authorized for an accounting period, including part-time personnel converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time Crossing Guard working 20 hours per week for 52 weeks a year equals one-half of a full-time position. Elected officials are carried as General Government employees for payroll purposes, but are excluded from the figures above.

Staffing Notes:

Decreases from 2012 to 2015 were cost saving efforts in light of economic recession.

Increases from 2015 to 2021 were due to restaffing adjustments in light of economic recovery.

Planning and Development includes the CRA staffing, with a right sizing of force in 2018.

Building was created due to new enterprise fund requirements in 2021.

City of Rockledge, Florida
Employees by Function/Program
Last Ten Fiscal Years

Schedule E-1

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
18.00	21.00	20.00	18.00	17.50	21.00
77.50	77.50	79.00	81.50	68.00	76.00
39.00	41.00	40.00	41.00	42.50	41.50
39.00	41.00	41.00	41.00	37.00	41.00
1.00	1.00	1.00	1.00	-	-
-	-	-	4.00	2.00	4.00
41.00	41.00	41.00	42.00	33.00	40.00
3.00	3.00	3.00	3.00	3.00	3.00
<u>28.00</u>	<u>29.00</u>	<u>29.00</u>	<u>29.00</u>	<u>26.00</u>	<u>28.00</u>
<u>246.50</u>	<u>254.50</u>	<u>254.00</u>	<u>260.50</u>	<u>229.00</u>	<u>254.50</u>

Schedule E-2

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years
Schedule E-2

Function/Program	2014	2015	2016	2017
Police				
Physical arrests	376	580	658	838
Parking violations	0	0	0	1
Traffic violations	2380	1478	1144	2330
Fire				
Emergency responses (incidents)	2408	2647	2801	2800
Fires extinguished	76	91	99	99
Inspections				
Public Works				
Street resurfacing (miles)	6.0	2.4	2.5	3.4
Pothole repair / patching (square yards)	56	56	56	84
Sanitation				
Total tonnage collection (refuse/garbage)	13,902	14,325	14,859	15,297
Total tonnage collection (recyclables)	2,162	2,301	2,308	2,384
Total tonnage collection (yard waste)	5,062	5,474	7,342	4,866
Wastewater				
Average daily sewage treatment (thousands of gallons)	2,390	2,210	2,190	2,270
Reclaimed water				
Average daily water delivered (thousands of gallons)	1,290	1,350	1,640	1,620

Source: Data provided by City of Rockledge

Note: City of Rockledge began tracking pothole repair data in 2013.

City of Rockledge, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Schedule E-2

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
858	579	350	404	474	693
48	24	12	8	2	0
2287	1597	1271	1247	1017	1980
2912	3596	3382	4316	4540	4921
61	40	64	58	61	76
	52	277	324	276	320
7.5	3.2	3.2	0.0	2.2	1.8
84	84	52.5	51	78.5	82.5
15,408	15,819	12,121	16,705	16,624	16,079
2,378	2,215	1,512	2,110	2,030	1,991
4,927	4,919	4,131	5,156	5,466	5,441
2,180	2,360	2,290	2,240	2,170	2,230
1,740	2,050	1,940	1,480	1,840	1,860

City of Rockledge, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Schedule E-3

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
Schedule E-3

Function/Program	2014	2015	2016	2017
Schools (1)				
Elementary	2	2	2	2
Junior High	2	2	2	2
Senior High	1	1	1	1
Police				
Stations	1	1	1	1
Police Officers (2)	42	46	49	54
Fire				
Stations	3	3	3	3
Firefighters (3)	28	31	35	37
Public Works				
Streets (linear miles)	231	231	232	233
Streetlights	2,562	2,582	2,623	2,633
Parks and Recreation				
Parks and playgrounds (4)	5	5	5	5
Tennis courts (5)	6	6	6	6
Swimming pools	1	1	1	1
Skateboard park	1	1	1	1
Lakes (6)	4	4	4	5
Utilities				
Wastewater:				
Reclaimed water (miles)	26	26	26	26
Gravity sewer (miles)	92	92	92	93
Force main sewer (miles)	23	23	23	23
Stormwater sewers (miles) (7)	76	76	76	77

Notes:

- (1) Schools owned and operated by Brevard County School Board
- (2) Sworn officers
- (3) Firefighters and 1 Deputy Chief
- (4) City and County parks in City limits
- (5) 2 courts at McLarty and 4 courts at McKnight
- (6) Open to the public: Lake Betsi, Lake Gilliard, Jimmy Weaver Lake, Anderson Park Lake, Huntington Lake, and Lake Virginia
- (7) 20.48 miles of canals and ditches maintained

City of Rockledge, Florida
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Schedule E-3

2018	2019	2020	2021	2022	2023
2	2	2	2	2	2
2	2	2	2	2	2
1	1	1	1	1	1
1	1	1	1	1	1
54	54	54	54	55	55
3	3	3	3	3	3
35	39	39	40	41	41
234	234	234	240	240	240
2,633	2,633	2,633	2,670	2,670	2,670
5	5	5	5	5	5
6	6	6	6	6	6
1	1	1	1	1	1
1	1	1	1	1	1
5	5	5	5	5	6
26	26	26	26	26	26
94	94	94	95	96	97
25	25	25	25	26	26
77	77	77	79	79	79

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COMPLIANCE SECTION

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City of Rockledge, Florida

Schedule of Expenditures of Federal Awards

Grantor / Pass-Through Grantor / Program or Cluster Title	Assistance Listing Number	Identification Number	Federal Expenditures	Transfers to Subrecipients
FEDERAL AWARDS:				
<u>United States Department of the Treasury</u>				
Direct Program:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	Y5279 FL0272	\$ 5,919,022	\$ -
Total Department of Treasury			5,919,022	-
<u>United States Department of Homeland Security</u>				
Passed through Florida Division of Emergency Management				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	DR 4337	16,192	-
Total Department of Homeland Security			16,192	-
<u>United States Department of Justice</u>				
Passed through Florida Department of Law Enforcement				
Bulletproof Vest Partnership Program	16.607		9,210	-
Total Department of Justice			9,210	-
Total Expenditures of Federal Awards			\$ 5,944,424	\$ -

City of Rockledge, Florida
Notes to Schedule of
Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the federal award activity of the City of Rockledge, Florida (the City) under programs of the Federal government for the fiscal year ended September 30, 2023. 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 of Federal Awards (Uniform Guidance) and Chapter 69I-5, Compliance Supplement. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cashflows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 69I-5, Compliance Supplement, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

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

4. Non-cash items received

The City did not receive any noncash items associated with any federal awards during the fiscal year ended September 30, 2023.

5. Payments to Subrecipients

There were no payments made to subrecipients.

6. Contingency

The grant revenue amounts received are subject to audit and adjustment. If any expenditures are disallowed by a grantor agency as a result of such an audit, any claim for reimbursement to the grantor agencies would become a liability of the City. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal laws and regulations.

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Honorable Mayor and Members of the City Council
City of Rockledge, Florida

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Rockledge, Florida’s compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of City of Rockledge, Florida’s major federal programs for the year ended September 30, 2023. City of Rockledge, Florida’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Rockledge, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 City of Rockledge, Florida and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Rockledge, Florida’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 of Rockledge, Florida's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Rockledge, Florida's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, 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 City of Rockledge, Florida's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Rockledge, Florida'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 City of Rockledge, Florida's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Rockledge, Florida'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 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 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. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 8, 2024

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THE CITY OF ROCKLEDGE, FLORIDA
Schedule of Findings and Questioned Costs
Fiscal Year Ended September 30, 2023

Section I—Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified? None noted
- Noncompliance material to financial statements noted? No

Federal Awards

Type of auditor’s report issued: Unmodified

Internal control over major federal awards:

- Material weaknesses identified? No
- Significant deficiencies identified? None noted

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 of OMB Compliance Supplement? No

Identification of major federal programs:

<u>Federal Assistance Listings Numbers</u>	<u>Federal Programs</u>
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and B programs was \$750,000 for major Federal programs. The City was not a low-risk auditee.

THE CITY OF ROCKLEDGE, FLORIDA
Schedule of Findings and Questioned Costs (Continued)
Fiscal Year Ended September 30, 2023

Section II—Financial Statement Findings

No matters to report.

Section III—Federal Programs Findings and Questioned Costs

No matters to report.

Section IV—Prior Findings and Questioned Costs for Federal Awards

No matters to report.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Honorable Mayor and Members of the City Council
City of Rockledge, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Rockledge, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Rockledge, Florida's basic financial statements, and have issued our report thereon dated March 8, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Rockledge, Florida'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 City of Rockledge, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of City of Rockledge, Florida'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.

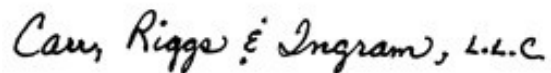
~~Financial Condition and Management~~

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Rockledge, Florida'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 reports 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.



Melbourne, Florida

March 8, 2024

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable Mayor and Members of the City Council
The City of Rockledge, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Rockledge, Florida (the "City") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 8, 2024.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and 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 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 March 8, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. There were no 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 legal authority of the City of Rockledge, Florida and its component units is disclosed in the footnotes.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the City of Rockledge, Florida 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 of Rockledge, Florida 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 of Rockledge, Florida. It is management's responsibility to monitor the City of Rockledge, Florida'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 address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have the any such recommendations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.30(3)(b), Florida Statutes.

Additional Matters

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

Purpose of this Letter

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

Cam, Riggs & Ingram, L.L.C.

Melbourne, Florida

March 8, 2024

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

Honorable Mayor and Members of the City Council
The City of Rockledge, Florida

We have examined the City of Rockledge, Florida's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the City of Rockledge, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on the City of Rockledge, Florida's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the City of Rockledge, Florida complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2023.

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

Carr, Riggs & Ingram, LLC

Melbourne, Florida
March 8, 2024