



CITY OF AUBURNDALE, FLORIDA

ANNUAL COMPREHENSIVE

FINANCIAL REPORT

Fiscal year ended September 30, 2024

City of Auburndale, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2024



Prepared by:

Department of Finance

City of Auburndale, Florida

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Principal City Officials

Mayor

Dorothea Taylor Bogert
Term Expiration: December 2025

Commissioner

William E. Sterling
Term Expiration: December 2025

Commissioner

Keith A. Cowie
Term Expiration: December 2025

Commissioner

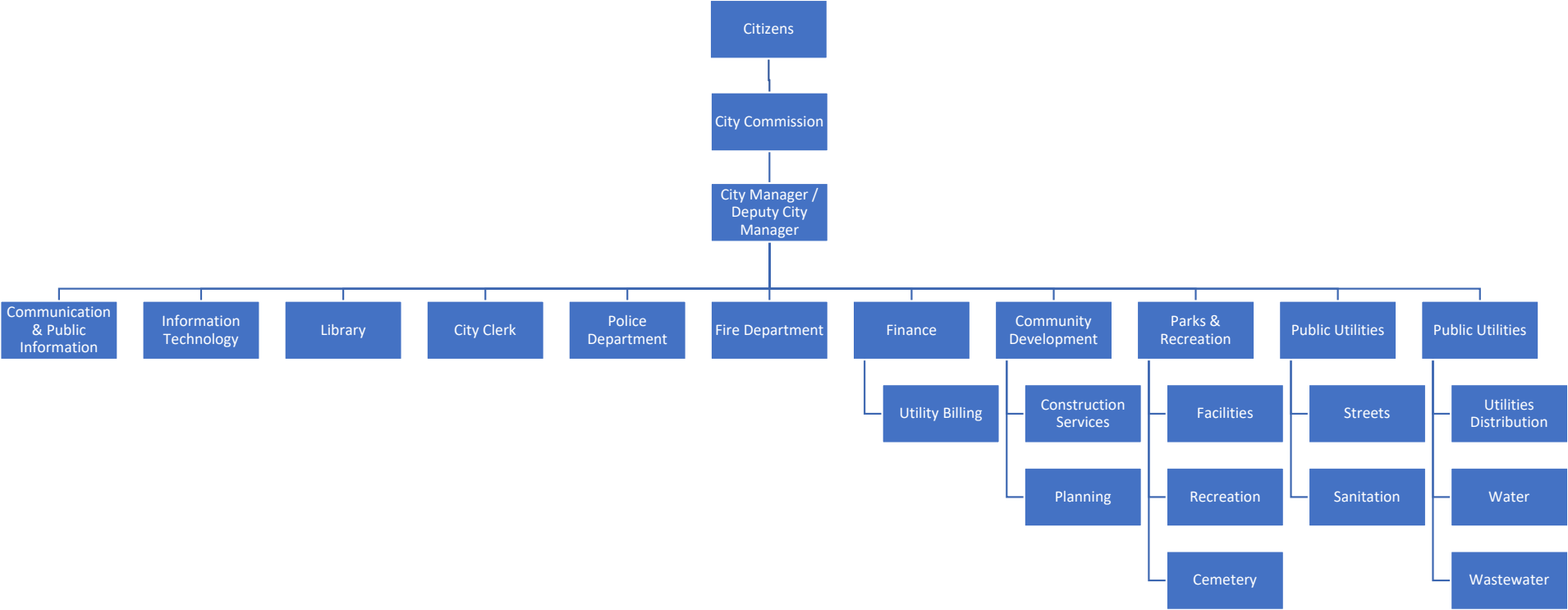
Alex Cam
Term Expiration: December 2027

Commissioner

Jordan Helms
Term Expiration: December 2027

City of Auburndale, Florida

Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Auburndale
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO



City of Auburndale
Auburndale, Florida 33823

Finance Department

P. O. Box 186
Phone (863) 968-5133

April 16, 2025

To the Honorable Mayor, Members of the City Commission and Citizens of the CITY OF AUBURNDALE:

We are pleased to present the seventh Annual Comprehensive Financial Report (ACFR) of the City of Auburndale, Florida. State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2024.

Management assumes full responsibility for the completeness and reliability of the information contained in this report. Internal accounting controls for the City have been designed to provide reasonable assurance regarding the safeguarding of the City's assets against loss. As the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

The City has contracted with Brynjulfson CPA, P.A., to conduct the audit. The independent auditor concluded there was reasonable basis for rendering an unmodified or "clean" opinion on the City of Auburndale's financial statements for the year ended September 30, 2024. The independent auditor's report is located at the front of the financial section of this report.

Management's Discussion and Analysis or MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Government Profile

The City of Auburndale was incorporated in 1911 through a Special Act of the Legislature. The City is located in Polk County and encompasses approximately 26 square miles. The University of Florida Bureau of Economic and Business Research estimates the 2024 population at 20,186. The City shares common boundaries with Lakeland, Lake Alfred, Polk City, and Winter Haven.

The City of Auburndale is empowered to levy a property tax on real property located within its boundaries. It also is empowered by State Statute to extend its corporate limits by annexation, which it has done when deemed appropriate by the City Commission.

The Charter of the City of Auburndale provides for a “commission-manager” form of government. The City Commission is a legislative body, with the power to enact ordinances and adopt resolutions. The City Commission consists of five Commissioners, who are elected on a non-partisan basis, at large by the voters for four-year staggered terms in November in the odd numbered years. A Mayor and Vice Mayor are elected by the Commission at the first meeting in December for the year. The Mayor and Commissioners hire the City Manager and City Attorney. The City Manager is the chief executive officer and head of the administrative branch of the City. The City Manager oversees the day-to-day operations of the City and hiring of the department heads for the various City departments.

The City of Auburndale provides a full range of services, including police and fire protection; refuse collection; street maintenance; parks and recreation; construction services; library services; financial services; administrative services; and water and sewer services. The City also has an active Community Redevelopment Agency, which was created in 1992. The City currently has 201 budgeted full-time employees.

Since 2005, the City of Auburndale has operated with a two-year budget process. As part of the process, two separate twelve-month budgets are prepared and approved by the City Commission. The level of budgetary control is set at the fund level. On or before October 1 of each year, after conducting public hearings on the two-year budget proposals submitted by the City Manager, the City Commission adopts a final budget for the succeeding fiscal years. Under State law, appropriation for each fiscal year cannot exceed the amount to be received from revenues and appropriated fund balances. The biennial budgets serve as the foundation for the City of Auburndale’s financial planning and control. The budgets are prepared and balanced for the six Funds: General Fund, General Fund Impact Fees Fund, Community Redevelopment Fund, Water and Sewer Connection Fees Fund, Water and Sewer Fund and Custodial Fund. The budget details the departments (example: police) and functions (example: personnel) for all the Funds.

Factors Affecting Financial Conditions

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

Local Economy

The City of Auburndale is a desirable location to Live, Work & Play. The City is located 50 miles northeast of Tampa and 50 miles southwest of Orlando. The leading indicators of growth, such as requests for building permits, site plan approvals for new developments and redevelopment, and requests for land use and zoning changes, have remained strong. Major industries located within the government’s boundaries or in close proximity include the Coca-Cola Corporation, Amazon, Medline, Saddle Creek Corporation, Duke Energy, Camp Margaritaville RV Resort and SunTrax.

SunTrax is a large-scale cutting-edge facility developed by the Florida Department of Transportation and Florida’s Turnpike Enterprise, dedicated to the research, development and testing of emerging transportation technologies in safe and controlled environments. Phase 1 of construction was completed in 2019 with the \$42 million research facility built on a portion of the total project’s 475 acres along the Polk Parkway, in the City limits. Its centerpiece is a multi-lane 2.25-mile oval track that will be used for high-speed autonomous vehicle (AV) testing. Phase 2 of the project, with construction costs estimated at \$100 million, is the 200-acre infield which was opened July 2023. The SunTrax main entry campus contains a 20,000-square-foot arrival and conference center including offices, classrooms, and indoor and outdoor event spaces. The complex also features a 27,000-square-foot maintenance building, a 56,000-square-

foot workshop building, and a 75-foot-tall observation tower that offers a birds-eye view of the surrounding test environments. These unique and innovative attributes allow providers of emerging technologies to test, adapt, and refine their ideas within real-world conditions that will one day result in next-generation solutions for the transportation industry.

The Polk County school district and Florida Polytechnic University provide a significant economic presence, employing many teachers, professionals, and support staff. Florida Polytechnic University is the only public university dedicated to science, technology, engineering and mathematics (STEM). The University is located just beyond the City limits of Auburndale and within the Central Florida Innovation District. There are four schools located within the City limits and four schools just outside the City with an Auburndale address.

For Polk County and the area cities including Auburndale, the unemployment rate rose from 3.8% in September 2023, to 4.4% in September 2024. The national unemployment rate as of September 2024 was 4.1%. Based on the economic forecasts for years 2023 to 2034, the unemployment rate is anticipated to move to a high of 4.4% in year 2026 before coming down to 4.3% in year 2034.

Over the past ten plus years, the City has experienced a period of significant economic growth and investment, as shown in our continued growth of utility billing customers and Building Permits issued. The City works hard in the area of planning and growth management through our Community Development Department. We have approximately 3,800 single-family residential lots and 1,100,000+ sq ft of commercial space in some stage of development, from zoning approval to under construction. The Utility Billing revenues for calendar year 2024 are \$8,625,061 for water charges and \$9,278,934 for sewer charges. Compared to the prior year, the revenue for water charges increased by 3.9% and the revenue for sewer charges increased by 5.2%.

The City of Auburndale's tax base has been strong and increased by 16.6% in 2023 and 16.3% in 2024 due to growth in property values and new development. Auburndale has historically levied a low property tax and is the lowest in Polk County. For FY 2024, the millage tax remained at 4.2515. The proposed tax levy will generate \$10,510,000, an increase of \$1,480,000 over the prior year budget. The significant increase in ad valorem proceeds is result of 7.9% growth in new taxable value from new construction and the overall increase in property values. Due to their facility size and infrastructure, the Coca Cola Corporation and Duke Energy account for 16.0% of the City's property taxes for the current year. The ad valorem property taxes received from Coca Cola are remitted to the City's Community Redevelopment Agency Fund to help provide for redevelopment with the Community Redevelopment Agency district.

The Amazon Fulfillment Center is the third highest valued property in the City of Auburndale including both the real estate and tangible property values. Bel Lakeland LLC owns the land and building and Amazon owns the tangible property on the parcel.

2024 TOP 10 COMBINED: TAXPAYERS	JUST VALUE	ASSESSED
COCA COLA	206,730,073	206,730,073
DUKE ENERGY	178,975,123	178,975,123
BEL LAKE LAND LLC	81,068,550	81,068,550
MRE PROPCO LP	62,677,309	62,677,309
SADDLE CREEK CORPORATION	63,268,418	59,642,326
TAMPA ELECTRIC	124,562,914	124,492,147
SFR V TRANCHE 5 BORROWER LLC	56,705,723	56,705,723
GROVES AT LAKE JULIANA LLC	50,018,255	50,018,255
AMAZON	42,911,349	42,911,349
BGO PACE LOGISTICS LLC	37,971,505	37,971,505

Charges for services related to governmental funds have remained relatively constant over the past few years with collections around \$4 million. The charges for service fees include facility rentals, field rentals, library services, sanitation charges, stormwater fees, and cemetery fees. The charges for service are adjusted based upon review of the collections for the City and charges from area cities.

Long-term Financial Planning and Major Initiatives

The Five-Year Capital Improvement Plan or CIP is used to provide for future community needs and determine how resources will be used to meet those needs. The CIP serves as the City's planning document to ensure that the facilities, equipment and infrastructure are well maintained and operating in peak condition. The CIP gives the City of Auburndale the ability to plan for its capital needs and allocate short-term and long-term resources appropriately. As part of this process, the government identifies and quantifies the operational costs associated with its capital projects and budgets resources accordingly. All projects in the first two years of the CIP are incorporated into the proposed Biennial Budget. Projects planned over the next five-year period within the IT, Community Redevelopment Agency, Police, Fire, Public Works, Public Utilities, and Parks and Recreation Departments are projected to cost \$137,477,530. In our Biennial Budget preparation, we integrate the Five-Year Capital Improvement Plan and adopt this as part of the Ordinance for the budget.

The Water and Sewer Fund provides operating income of \$6,297,865 that results in a primary Net Revenue Bond Coverage of 4.54. The City is required to maintain net revenues to cover 1.05 times the bond service requirement per City Resolution No. 95-10. In the past, the City has consulted with Raftelis Financial Consultants, Inc. for our rate study and most recently for a revenue sufficiency study. From the September 2023 rate study, a rate adjustment for water of 4% and sewer of 0.5% in FY 2024 and 1.5% for water and 0.5% for sewer in FY 2025 through FY 2028 was approved by the City Commission with Ordinance No. 1764.

The City of Auburndale receives Community Development Block Grant funds annually through a Cooperative Agreement with Polk County for a share of the federal funds they receive from the Department of Housing and Urban Development. The City plans to continue construction of a parking lot adjacent to the Community Center Gym and future improvements to Earl Wright Park. The Budget provided \$106,496 for FY 2024.

The Polk Regional Water Cooperative was formed in 2016 to address the individual and regional future water needs of the 17 municipalities in Polk County. The current Budget allocates Auburndale's

committed cost share for conservation programs, administrative cost, and Phases 1 costs for engineering and testing of wells. Auburndale is one of seven participating members that elected to utilize the State Revolving Loan Fund to fund their cost share of Phase 1. The Biennial Budget provides for \$360,000 in FY 2024 and \$650,104 in FY 2025 for Phase 1 costs.

Relevant Financial Policies

The City of Auburndale amended the Fund Balance Policy regarding the General Fund Unassigned Fund Balance to 25%, with Resolution No. 2019-10, on November 18, 2019. The previous Resolution No. 2016-01 required an unassigned fund balance minimum of 17% of the subsequent year's budgeted operating expenditures (total expenditures less capital outlay and certain debt service expenditures that are secured by reimbursements from Polk County). In accordance with the City's Fund Balance Policy and Auditor's recommendation, City Staff will allocate the necessary contributions to the Emergency Reserve Restricted Account. The targeted minimum reserve balance represents 25% of the City's General Fund budgeted amount and can only be expended with the City Commission approval, as an emergency expenditure. This change to 25% has been a priority of City Staff to raise the emergency reserve target. The past several adopted budgets and current FY 2024 annual Budget gave priority to maintaining this goal.

The unassigned fund balance in General Fund is \$21,311,951, which is 87% of total general fund expenditures, excluding capital outlay and debt service. The prior year unassigned fund balance was 68%.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Auburndale for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ending September 30, 2023. This was our sixth year to receive this prestigious award. In order to receive the award, a governmental agency must provide an easily readable and efficiently organized ACFR, which satisfies both generally accepted accounting principles and the legal requirements.

With the completion of this document for FY 2024, the City of Auburndale will again apply for the GFOA Certificate of Achievement for Excellence in Financial Reporting.

The preparation of this report would not have been possible without efficient and dedicated staff of the Finance Department. We wish to thank all City Departments for their assistance in providing the data necessary to prepare the statistical portion of the report and for their budgetary oversight for their various departments. We would also like to thank the Mayor and the Commission for their support for maintaining the highest standards of professionalism in the management of the City of Auburndale finances. Our appreciation must also be expressed for the City Auditors, Mike Brynjulfson of Brynjulfson CPA, P.A., whose attention to detail and accounting professionalism enhances the quality of the City's ACFR product.

Respectfully submitted,



Jeffrey E. Tillman, City Manager



Christopher S. Reeder, Finance Director

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the City Commission
City of Auburndale, 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 Auburndale, Florida (the City) as of and for the year ended September 30, 2024 and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements (concluded)

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as provided in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining fund financial statements 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 fund financial statements 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.

Other Information (concluded)

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 16, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Other Reporting Required by Chapter 10.550, Rules of the Auditor General

In accordance with *Chapter 10.550, Rules of the Auditor General*, we have also issued our report dated April 16, 2025, on our examination of compliance with requirements of Section 218.415, *Florida Statutes*. The purpose of that report is to describe the scope of our examination and the issuance of an opinion on the City's compliance with requirements of Section 218.415, *Florida Statutes*.

Other Reporting Required by US Department of Treasury Coronavirus State and Local Fiscal Recovery Funds Program

In accordance with Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)" of the CSLFRF section of the 2024 OMB Compliance Supplement, we have issued our report dated April 16, 2025, on our examination of compliance with the specified requirements. The purpose of this report is to describe the scope of our examination and the issuance of an opinion on the City's compliance with the specified requirements.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
April 16, 2025

The City of Auburndale's Management's Discussion and Analysis (MD&A) is designed to provide an objective and easy to read analysis of the City's financial activities. The analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the City's financial activity, identify the changes in the City's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan (the approved budget), and identify individual fund issues of concern.

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources on September 30, 2024 by \$162,700,346 (net position) compared to \$135,798,385 at the end of the prior year. The unrestricted net position, which represents the amounts available to meet the City's ongoing obligations to citizens and creditors, was \$22,585,228 compared to \$10,309,258 in the prior year.
- The City's total net position increased by \$26,901,961 compared to an increase of \$21,571,431 in the prior year. The governmental activities' net position increased by 13% and the business-type activities increased by 26%.
- As of September 30, 2024, the City's governmental funds reported combined ending fund balances of \$45,864,282 an increase of \$19,696,789 in comparison with the prior year ending balance of \$26,167,493.
- As of September 30, 2024, the City's general fund reported unassigned fund balance of \$21,311,951 or 87% of general fund expenses for the year ended September 30, 2024, excluding capital outlay expenditures. As of the end of the prior year, the City's general fund reported unassigned fund balance of \$15,003,535 or 68% of general fund expenses for the year ended September 30, 2023, excluding capital outlay expenditures.
- The City's total net long-term debt increased by approximately \$15,912,740 or 32% during the fiscal year.

UNDERSTANDING THE BASIC FINANCIAL STATEMENTS

The discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of three components:

1. Government-wide financial statements.
2. Fund financial statements.
3. Notes to the financial statements.

The basic financial statements present two different views of the City through the presentation of governmental-wide financial statements and fund financial statements. In addition to the basic financial statements, this report contains other supplementary information that will enhance the reader's understanding of the financial condition of the City of Auburndale.

Government-wide Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. Both statements represent an overview of the City as a whole, separating its operations between governmental and business-type activities.

The governmental activities of the City include general government, public works administration, police and fire departments, streets, sanitation, library, building and zoning, community redevelopment and parks and recreation.

The business-type activities of the City consist of the public utilities system (water and sewer utilities).

Fiduciary funds, such as pension trust funds, are excluded from the government-wide financial statements as they represent money and funds legally set aside for use by the employee groups they benefit. Florida law requires municipalities to fund pension plans on an actuarially sound basis; therefore, it is important for the user to study the fund financial statements as well as the notes to the financial statements.

The statement of net position presents information on all the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the residual measure reported as net position. The focus of the statement of net position (the "unrestricted net position") is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental fund current resources (short-term spendable resources) with capital assets and long-term obligations. Over time, the increase or decrease in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the governmental-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains three separate governmental funds – the general fund, the community redevelopment agency special revenue fund and the impact fee special revenue fund. Information is presented separately for each fund in the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and change in fund balances.

In September, following two public hearings the City adopts an annual appropriated budget each year. Budgetary comparison schedules have been provided to demonstrate compliance with the budget and can be located by referencing the table of contents of this report.

The basic governmental funds financial statements can be located by referencing the table of contents of this report. The governmental fund presentation is a sources and uses of liquid resources basis (current financial resources measurement focus and modified accrual basis of accounting). This is the manner in which the budget is typically developed. Funds are established for various purposes and the fund financial statements allow the demonstration of sources and uses and/or budgeting compliance for each fund.

Proprietary Funds - The City maintains only one of the two proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses an enterprise fund to account for its public utilities system. Internal Service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The City does not utilize internal service funds. The basic proprietary fund financial statements can be located by referencing the table of contents of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. While these funds represent trust responsibilities of the government, these assets are restricted in purpose and do not represent discretionary assets of the government. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statement can be located by referencing the table of contents of this report. The City has three defined benefit pension plans established for the exclusive benefit of its employees and beneficiaries as well as one custodial fund to account for certain fees collected on behalf of other governments.

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

Other Information – This report also presents certain required supplementary information related to the City's employee pension plans and other postemployment benefits (OPEB) obligations as well as budgetary comparison schedules for the general fund, community redevelopment agency special revenue fund and the impact fee special revenue fund. Required supplementary information can be located by referencing the table of contents of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position - As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following table reflects the condensed statement of net position for the current year, as compared to the prior year. For more detailed information see the statement of net position which can be located by referencing the table of contents of this report.

Statement of Net Position (Summary)
as of September 30,

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current and other assets	\$ 48,130,859	\$ 27,579,138	\$ 43,740,822	\$ 38,744,674	\$ 91,871,681	\$ 66,323,812
Capital assets	77,731,021	72,212,684	85,809,719	78,649,365	163,540,740	150,862,049
Total assets	125,861,880	99,791,822	129,550,541	117,394,039	255,412,421	217,185,861
Deferred outflows	7,519,634	10,616,222	1,639,341	2,161,428	9,158,975	12,777,650
Current liabilities	2,644,946	1,546,085	6,154,499	11,573,460	8,799,445	13,119,545
Non-current liabilities	55,675,850	41,731,186	31,224,214	33,384,316	86,900,064	75,115,502
Total liabilities	58,320,796	43,277,271	37,378,713	44,957,776	95,699,509	88,235,047
Deferred inflows	5,129,195	4,978,579	1,042,346	951,500	6,171,541	5,930,079
Net position:						
Net investment in capital assets	56,793,590	53,689,964	56,836,865	47,974,618	113,630,455	101,664,582
Restricted	8,517,899	10,764,379	17,966,764	13,060,166	26,484,663	23,824,545
Unrestricted	4,620,034	(2,302,149)	17,965,194	12,611,407	22,585,228	10,309,258
Total net position	\$ 69,931,523	\$ 62,152,194	\$ 92,768,823	\$ 73,646,191	\$ 162,700,346	\$ 135,798,385

By far the largest portion of the City's net position, \$113,630,455, reflect its investment in capital assets (land, buildings, improvements, infrastructure, vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

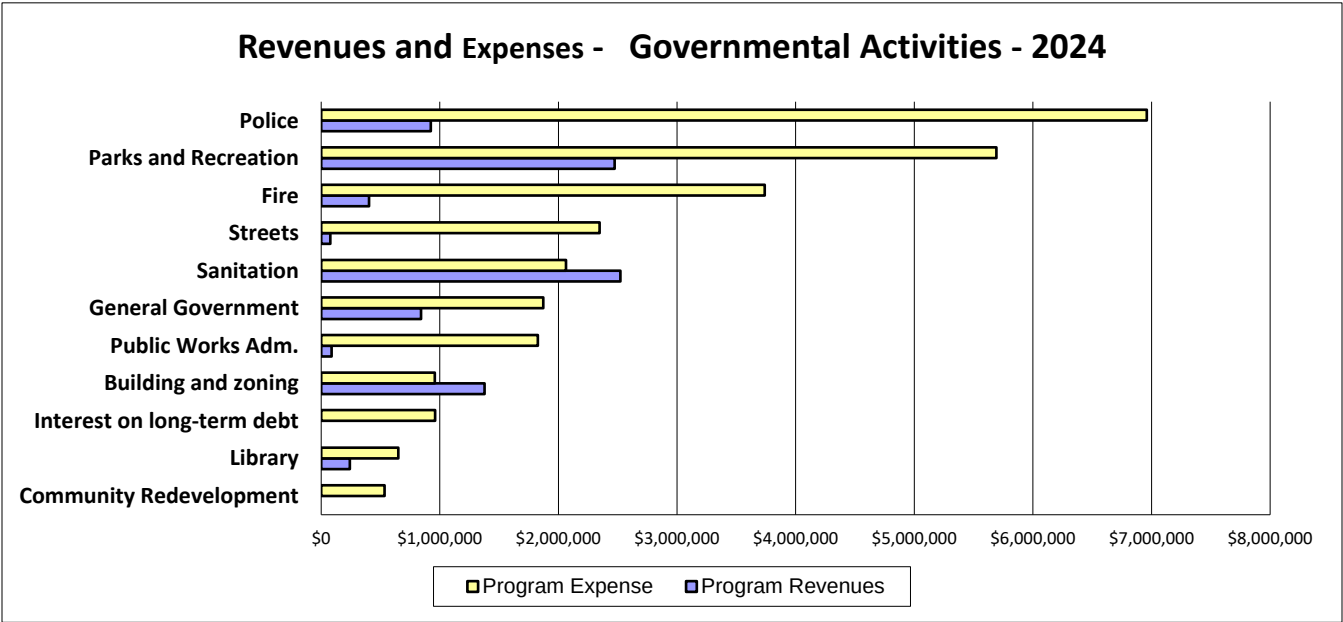
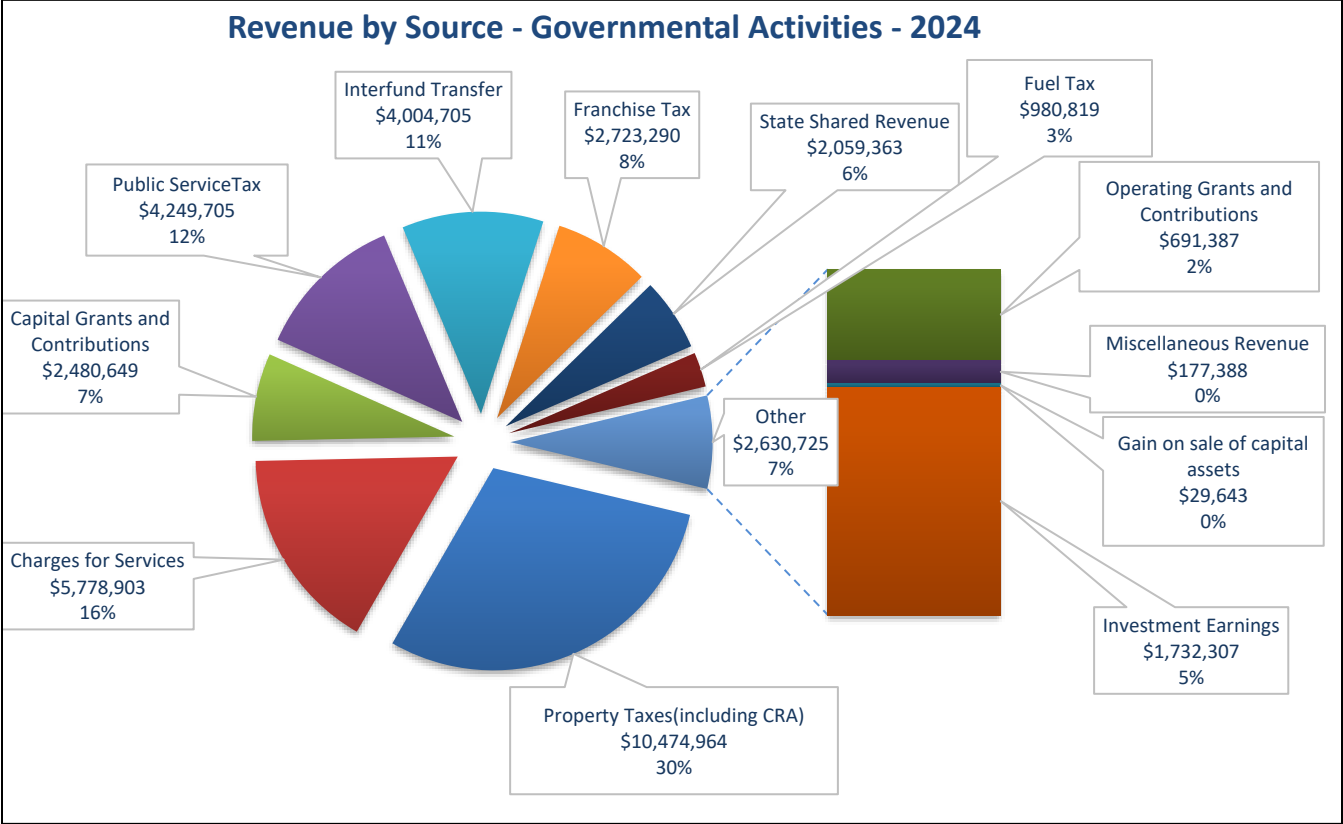
An additional portion of the City's net position, \$26,484,663, represents resources that are subject to restrictions on how they may be used.

At the end of the current fiscal year, the City reported a positive unrestricted net position of \$4,620,034 in the governmental activities compared to a negative unrestricted net position of \$2,302,149 in the prior year. The deficit was due to unfunded liabilities related to the City's pension plans and other postemployment benefit (OPEB) liability.

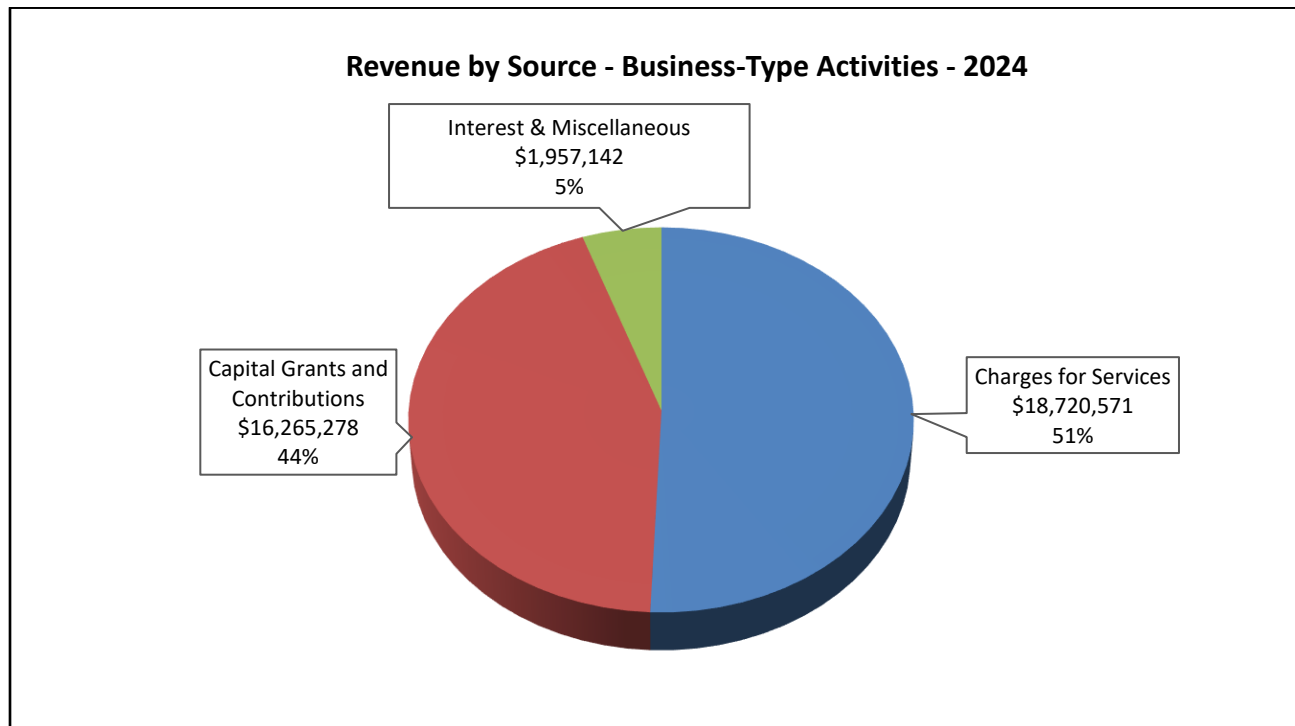
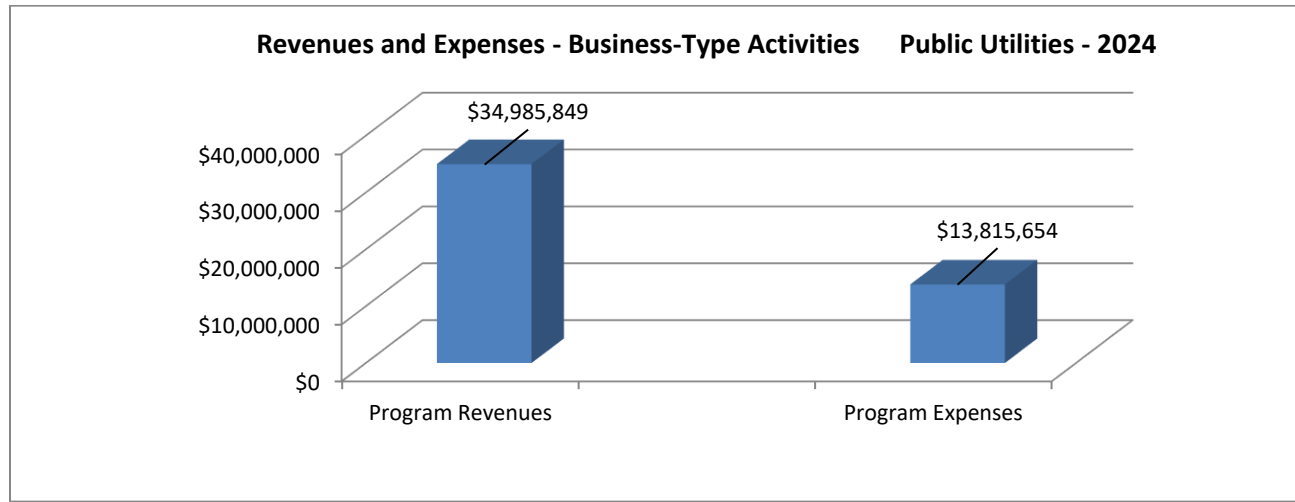
Statement of Activities – While net position of the City represents the difference between 1) assets and deferred outflows of resources and 2) liabilities and deferred inflows of resources, the statement of activities reports the changes in net position during the fiscal year using the economic resources measurement focus and accrual basis of accounting. The following table reflects the condensed statement of activities for the current year. For more detailed information see the statement of activities which can be located by referencing the table of contents of this report.

Statement of Activities (Summary)						
For the year ended September 30,						
	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues:						
<i>Program Revenues:</i>						
Charges for services	\$ 5,778,903	\$ 5,462,249	\$ 18,720,571	\$ 17,649,177	\$ 24,499,474	\$ 23,111,426
Operating grants/contrib.	691,387	694,952	-	-	691,387	694,952
Capital grants/contrib.	2,480,649	3,166,304	16,265,278	11,171,241	18,745,927	14,337,545
<i>General revenues:</i>						
Property taxes	10,474,964	9,139,878	-	-	10,474,964	9,139,878
Other taxes	7,953,814	7,811,489	-	-	7,953,814	7,811,489
State shared revenue	2,059,363	2,027,441	-	-	2,059,363	2,027,441
Other	1,939,338	2,026,860	1,957,142	644,444	3,896,480	2,671,304
Total revenues	31,378,418	30,329,173	36,942,991	29,464,862	68,321,409	59,794,035
Expenses:						
<i>Governmental activities:</i>						
General government	1,872,656	2,020,313	-	-	1,872,656	2,020,313
Library	650,135	648,866	-	-	650,135	648,866
Police	6,960,552	6,039,824	-	-	6,960,552	6,039,824
Fire	3,738,629	3,175,923	-	-	3,738,629	3,175,923
Building and zoning	957,156	829,028	-	-	957,156	829,028
Public works administration	1,825,755	1,444,490	-	-	1,825,755	1,444,490
Sanitation	2,064,447	2,464,888	-	-	2,064,447	2,464,888
Streets	2,346,882	2,267,353	-	-	2,346,882	2,267,353
Parks and recreation	5,692,467	5,001,931	-	-	5,692,467	5,001,931
Community redevelopment	534,311	606,676	-	-	534,311	606,676
Interest on long-term debt	960,804	464,463	-	-	960,804	464,463
<i>Business-type activities:</i>						
Public utilities	-	-	13,815,654	13,258,849	13,815,654	13,258,849
Total expenses	27,603,794	24,963,755	13,815,654	13,258,849	41,419,448	38,222,604
Increase (decrease) in						
net position before transfers	3,774,624	5,365,418	23,127,337	16,206,013	26,901,961	21,571,431
Transfers in (out)	4,004,705	4,370,001	(4,004,705)	(4,370,001)	-	-
Change in Net Position	7,779,329	9,735,419	19,122,632	11,836,012	26,901,961	21,571,431
Net position - Beginning	62,152,194	52,416,775	73,646,191	61,810,179	135,798,385	114,226,954
Net position - Ending	<u>\$ 69,931,523</u>	<u>\$ 62,152,194</u>	<u>\$ 92,768,823</u>	<u>\$ 73,646,191</u>	<u>\$ 162,700,346</u>	<u>\$ 135,798,385</u>

Governmental Activities - Governmental activities’ operations increased the City’s net position by \$7,779,329 for the current year. Approximately 84% or \$22,427,479 of the governmental activities’ operations are funded by general revenue sources and transfers that are not attributable to any one particular activity. The City is dependent upon property taxes and taxes on utilities, both through franchise and through direct taxation of those utilities.



Business-type activities - Business-type activities' operations increased the City's net position by \$19,122,632.



The governmental activities change in net position was \$7,779,329 for 2024 compared to \$9,735,419 for the prior year, mainly due to:

- Total revenue increased by \$1,049,245 or 3% mainly due to:
 - Property tax revenue increased by \$1,335,086 or 15%. The City's millage rate was unchanged in 2024 at 4.2515 so the increased property tax revenue was due to increased values of property within the City.
 - Franchise, public service and fuel taxes and state shared revenues increased by \$142,325 or 2% mainly due to increased economic activity within the City.
 - Charges for services revenue increased by approximately \$317,000 or 6%, mainly due to increased sanitation revenue of approximately \$275,000 or 29% due to increased rates and increased customers due to ongoing construction within the City.
 - Decreased capital grants and contributions of \$685,655 or 22% mainly due to significant contributions from Polk County, Florida for recreational improvements at Lake Myrtle in the prior year that exceeded current year's contributions.
- Total expenses increased by \$2,640,039 or 11% mainly due to:
 - Payroll and payroll related tax expenses increased by approximately \$744,700 or 8% due to hiring additional employees and wage rate increases for existing employees.
 - Health insurance expense increased by approximately \$175,000 or 12% due to increased premiums and increased number of covered employees.
 - Repair and maintenance expenses increased by approximately \$329,000 or 22% due to a myriad of changes across all functions.
 - Insurance premiums for property and liability coverage increased approximately \$300,000 or 20% due to general premium increases, mainly related to property insurance coverage.
 - Depreciation expense increased by approximately \$615,000 or 18% mainly in the parks and recreation function, accounting for approximately \$333,000 of the increase. The increase in parks and recreation is mainly due to the completion of the recently built soccer stadium and ski lake which were placed into service during 2024.

The business-type activities change in net position was an increase of \$19,122,632 compared to an increase of \$11,836,012 in the prior year, mainly due to:

- Total revenue increased by approximately \$7,478,129 or 25%, due mainly to:
 - The business-type activities reported increased capital grants and contributions of approximately \$5,095,000 or 46% due to increased water and sewer connection fee revenue of approximately \$4,900,000 due to increased construction within the City as well as a major customer purchasing expanded water-use capacity. Grant revenue increased by approximately \$4,000,000 which was partially offset by decreased infrastructure donations by developers of approximately \$3,600,000.

- Charges for services increased by approximately \$1,072,000 or 6% due to scheduled rate increases and an increased number of customers due to construction activity within the City.
- Total expenses increased by \$556,805 or 4% mainly due to recognition of the City's proportional share of a guaranteed loan of the Polk Regional Water Cooperative which increased by approximately \$400,000 in 2024. The remainder of the increase in other operating expenses was due to general increases across a myriad and diverse set of expense categories.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

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

As of September 30, 2024, the City's governmental funds reported combined ending fund balances of \$45,864,282. Of this total, the unassigned fund balance amount is \$21,311,951 and is the amount available for spending at the City's discretion. The remainder of fund balance, \$24,552,331, is restricted or nonspendable as indicated and not available for general spending because of restrictions placed on the use of fund balance or fund balances that have already been spent. The combined total fund balance in fiscal year 2023 was \$26,167,493.

The general fund is the chief operating fund of the City. The general fund's unassigned fund balance has increased \$6,308,416 or 42% in fiscal year 2024. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. During the current fiscal year, the assigned and unassigned fund balance of the City's general fund was 87% of the current year expenditures, excluding capital outlay, compared to 68% in the prior year. Capital outlay was removed from the calculation because the amount was significant (28% of total expenditures in 2024 and 28% in 2023).

- Revenue increased by approximately \$442,430 or 2% mainly due to increased tax revenue of approximately \$1,263,000 (8%). The causes of these increases were discussed in the governmental activities section and include increased gross taxable values within the City, increased franchise, public service and fuel taxes and state shared revenues due to increased economic activity. These increases were partially offset by a decline in intergovernmental revenue of approximately \$1,042,000 or 19% mainly due to significant contributions from Polk County, Florida for recreational improvements at Lake Myrtle in the prior year that exceeded current year's contributions.
- Expenditures increased by approximately \$3,298,000 or 11% mainly due to the following:
 - Capital outlay expenditures increased by approximately \$812,000 or 9% due mainly to construction of the new civic center facility. The construction of the new civic center facility is being funded primarily through a \$18,994,000 issuance of debt reported as an other financing source in 2024.

- Public safety expenditures increased by approximately \$1,425,000 (16%) driven predominately by a \$893,000 (12%) increase in personnel related costs due to wage increases, staffing increases and increases in pension and health insurance premium expenditures.
- Debt service expenditures increased by approximately \$619,300 (32%) due mainly to debt issuance costs incurred in connection with a bond issuance in 2024 of approximately \$305,000 and increased subscription liability repayments of approximately \$277,000.

The Community Redevelopment Agency (CRA) was created with Ordinance No. 772, in June of 1992. The CRA Board was restructured to include the City Commission and two City residents, with Ordinance No. 1117, in July of 2003. An amendment to the redevelopment plan extended the time certain for completing all redevelopment financed by increment revenue for 30 years from the date of Resolution No. 2005-11 (adopted May 2, 2005). In November of each year, the CRA entertains public comment on new projects to be included in the Board's adopted capital improvements program.

- The CRA receives property tax increment funds from the County and City, totaling \$2,145,574 in 2024 compared to \$1,936,507 in the prior year. Total fund balance at year end equals \$2,573,607, a decrease of \$2,084,783 during the current fiscal year.
- The major CRA capital projects this year was streetscape and sidewalk improvements and repairs in the CRA district totaling approximately \$113,000 and the purchase of land totaling \$243,000. The CRA also reimbursed the City approximately \$187,000 for labor costs, made \$50,000 in redevelopment incentive grants and paid general municipal impact fees for new construction in the CRA district of \$5,748. The CRA reported total expenditures of \$1,052,478 during the current year compared to \$922,514 in the prior year.
- During 2024 the CRA purchased property from the City's general fund for \$3,500,000 of which \$307,525 is reported as capital outlay and the remaining \$3,192,475 is reported as a transfer. According to GASB Cod. Sec. S20, when capital assets are transferred within the same financial reporting entity, the receiving entity should record the assets at the transferor's carrying amount. Since GASB Cod. Sec. 1400 requires capital assets to be reported at historical cost, this intra-entity transfer does not alter the original cost. The carrying value of the assets sold were \$307,525 at the time of the sale and the remainder of the sale price is recognized as a transfer to the general fund.

The impact fee special revenue fund balance increased by \$559,996 due to revenue of \$862,514 and capital outlay expenditures of \$302,518. Revenue is comprised mainly of impact fees which increased by approximately \$238,000 (39%) during 2024 because of increased construction related activity within the City. The capital outlay expenditures were for law enforcement capital expenditures related to new growth within the City.

Enterprise Fund - The City's enterprise fund provided operating income of \$6,297,865 that resulted in a primary net revenue bond coverage of 4.54. Last year the operating income was \$5,460,644 with net revenue bond coverage of 3.61. City Resolution Number 95-10 requires the City to maintain net revenues sufficient to cover 1.05 times the bond service requirement. The principal and interest amounts paid during the year, as used in the debt service coverage calculation, totaled \$2,564,100 in the current year and \$2,566,938 in the prior year.

The City provides water and sewer service to the residents within the City limits and serves residents in surrounding communities within Polk County. During FY 2024, the City served an average of 15,388 (up from 14,867 in 2023) water customers and 11,555 (up from 11,025 in 2023) sewer customers and has experienced continued customer growth. The Water and Sewer System includes seven deep production wells, three water production/treatment facilities, two wastewater treatment facilities, and a network of piping ranging in size from 2 inches to 18 inches in diameter.

The City has a potable water consumptive use permit (Permit Number 7119 issued August 1, 2014 and expires April 3, 2034) with the Southwest Florida Water Management District to withdraw up to 7,036,300 gallons per day (average daily use) and an average annual withdrawal of approximately 5,229,000 gallons per day. The City also participates in the Polk Regional Water Cooperative pursuant to an Interlocal Agreement established in 2016. The City may participate in future water supplies and related projects with the Polk County Water Cooperative .

The City's two water reclamation facilities are permitted by the Florida Department of Environmental Protection ("FDEP"). The two facilities are:

- Allred Wastewater Treatment Plant (Facility ID: FL0021466)
- Regional Wastewater Treatment Facility (Facility ID: FLA016559)
- The Allred and Regional facilities have a permitted capacity of 1.400 and 1.600 MGD, respectively.

For fiscal year 2024, major additions to depreciable capital assets for the enterprise fund were as follows:

- New water meter installations - \$97,279.
- Donated Infrastructure: Donated infrastructure for the water and wastewater system totaling \$1,0557,625 were accepted and capitalized in 2024.
- Equipment totaling approximately \$481,933.

Major water and wastewater projects under construction for fiscal year 2024 include:

- Berkley Road Water Treatment Plant Expansion - \$4,086,569
- Gapway Road Water Line Extension - \$1,624,746
- Pace Road Regional Lift Station - \$3,599,976
- Pace Road Northern Force Main - \$558,416
- Southern Force Main Re-route - \$81,768
- Gapway Road Force Main - \$1,610,135

Fiduciary Funds - The General Employee Pension Fund funding requirement was \$1,237,210 for the current year. This represents a \$9,696 decrease over prior year funding of \$1,246,906. The General Employee Pension Board hired an independent actuary to prepare the valuations beginning in 2008 and hired a pension attorney in 2009. Pension Plan assets are managed by the General Employee Pension Board of Trustees with the assistance of an investment advisor. The Defined Benefit Plan has a blended multiplier of 2.75% for all years prior to October 1, 2003 and 2.5% for all years after October 1, 2003. Employees under the Defined Benefit Plan contribute 2% of salary. The participant data as of September 30, 2024 shows 116 total members, 91 inactive plan members or beneficiaries currently receiving benefits, 9 inactive plan members entitled to but not yet receiving benefits, and 16 active plan members.

Effective October 1, 2006, the City implemented a Defined Contribution Plan for all new hires and froze the current enrollment into the General Employee Defined Benefit Plan. The City now has a 401A Plan administered through Mission Square Retirement and contributes 8% to the employees' account. The employees contribute 2% of their salary and have a five-year vesting period for the Plan. For fiscal year 2023-24, the total cost of the 401A Plan was \$447,180.

The Fire Pension Fund is funded by State contributions, employee contributions, return on investments, and a City contribution to make the funds actuarially sound. The City and State contributed \$540,704 for the current fiscal year and \$422,325 for the prior fiscal year. Plan members contribute 9.1% of salary and the plan provides for eligible retirement with 25 years of service regardless of age, provides an additional supplemental benefit for every year of service for future retirees, and a benefit multiplier of 3.75%.

The supplemental benefit is subject to adjustment based upon the actual state funding received. Normal retirement is age 55 with 10 years of service. The Plan is administered by the Firefighter Pension Board. Per the Firefighter Pension Actuarial Report as of October 2023, the participant data is: 49 participants, 18 inactive plan members or beneficiaries currently receiving benefits, 9 inactive plan members entitled to but not yet receiving benefits, and 22 active plan members.

The Police Pension Fund is funded by State contributions, employee contributions, return on investments, and a City contribution to make the funds actuarially sound. The City and State contributed \$731,018 for the current fiscal year and \$731,169 for the prior year. Ordinance No. 1421 increased the employee contribution to 5.6% of salary and Ordinance No. 1256 modified the Plan benefits, which provides for eligible retirement with 20 years of service regardless of age and provides an additional supplemental benefit for every year of service for future retirees. The supplemental benefit is subject to adjustment based upon the actual state funding received. Normal retirement is age 55 with 10 years of service. The Plan is administered by the Police Pension Board and the current pension multiplier for the Police Pension is 3.50%. Per the Police Officer Actuarial Report as of October 2023, the participant data is: 94 participants, 30 inactive plan members or beneficiaries currently receiving benefits, 27 inactive plan members entitled to but not yet receiving benefits, and 37 active plan members.

Note 7 of the notes to the financial statements will provide more information regarding the City's three pension trust funds.

ANALYSIS OF SIGNIFICANT BUDGET VARIANCES

Budgetary comparison schedules for all major governmental funds can be found in the required supplementary information section of these financial statements and can be found by referencing the tables of contents of this report. This discussion is limited to the budgetary variances of only the general fund. For the general fund, actual resources were \$15,575,466 more than the final budgeted amounts and actual charges to appropriations were less than the final budgeted amounts by \$565,321 for an overall favorable budget variance of \$16,140,787.

The City Commission approved Ordinance 1804 on December 2, 2024, that amended the budget for the fiscal year ended September 30, 2024. The budget was amended to reflect adjustments necessary due to variances between the original projections and the actual financial results.

During the year, the general fund's budget was amended to increase budgeted resources (inflows) by \$7,742,000 or a 24% increase. This increase was mainly due to the following:

The significant increases/decreases in budgeted resources (inflows) was mainly due to the following items:

- Tax resources – increased by \$1,004,000 for customer growth related to electrical and communication services
- Licenses and permits resources – increased by \$198,000 for increased building permits issued.
- Intergovernmental resources – increased by \$717,000 for FEMA hurricane reimbursement and CDBG funding.
- Charges for services – increased by \$789,000 for increased field rental activity at Lake Myrtle Sports Park.
- Investment income – increased by \$1,133,000 for increased cash on hand and a higher interest yield.
- Transfers in – increased by \$3,500,000 for the transfer of property to the Community Redevelopment Agency.
- Other budgetary resources (fines and forfeitures, other revenue and prior year surplus appropriated in 2024) – increased by \$401,000.

Budgeted charges to appropriations were increased by \$6,979,000 or 21%. The significant increases/decreases in budgeted charges to appropriations (outflows) were mainly due to the following items:

- General government – increased by \$159,000 related to Information Technology software subscriptions and Finance ERP implementation.
- Public safety – increased by \$449,000 for higher repair of equipment/vehicle costs and consulting fees for GIS support.
- Physical environment – increased by \$496,000 for unplanned stormwater project and higher repair of equipment/vehicle costs.
- Culture/recreation outflows – increased by \$705,000 for increased field activities, higher repair of equipment/vehicle costs and higher costs for agricultural/horticultural products and services.
- Capital outlay outflows – increased by \$227,000 for additional street repaving.
- Budgeted carryover reserve – increased by \$5,285,000 for planning purposes in future years.
- Other budgetary outflows (transportation, debt service and contingency) – decreased by \$63,000 related to not using contingency funding.

General Fund Final Budget to Actual Comparison:

Significant differences between actual resources and the final budgeted amounts:

- Charges for services totaled \$4,514,480, which was \$111,919 (3%) more than the final budgeted amount of \$4,402,561.
- Loan proceeds totaled \$18,994,629 which was \$15,269,629 (410%) more than the final budgeted amount of \$3,725,000.

Significant differences between actual charges to appropriations and the final budgeted amounts:

- Public safety charges to appropriations totaled \$8,808,642 which was \$131,816 (2%) more than the final budgeted amount of \$8,676,826.
- Culture/recreation charges to appropriations totaled \$3,917,694 which was \$123,288 (3%) more than the final budgeted amount of \$3,794,406.
- Debt service charges to appropriations totaled \$2,266,118 which was \$175,165 (8%) more than the final budgeted amount of \$2,090,953.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for its governmental and business-type activities as of September 30, 2024 amounts to \$163,541,000 (net of accumulated depreciation). The capital assets increased from \$150,862,000 in 2023, an increase of \$12,679,000. This investment in capital assets includes land, buildings, improvements, infrastructure, vehicles, and equipment, as shown in more detail at Note 5 of the notes to financial statements.

Capital Assets Activity
(net of accumulated depreciation)
as of September 30,

	Governmental Activities (*)		Business-type Activities (*)		Total Primary Government (*)	
	2024	2023	2024	2023	2024	2023
Land	\$ 9,182	\$ 8,968	\$ 16,357	\$ 16,357	\$ 25,540	\$ 25,325
Buildings and improvements	38,120	39,686	-	-	38,120	39,686
Equipment	6,230	5,641	1,787	1,629	8,017	7,270
Subscription assets	508	281	-	-	508	281
Infrastructure	14,181	14,339	-	-	14,181	14,339
Utility plant	-	-	55,097	57,013	55,097	57,013
Construction in progress	9,511	3,298	12,569	3,650	22,080	6,948
Total	\$ 77,731	\$ 72,213	\$ 85,810	\$ 78,649	\$ 163,541	\$ 150,862

Long-term Debt - At the end of the current fiscal year, the governmental activities had total bonds and notes payable outstanding of \$35,484,000 compared to \$18,080,000 in the prior year, a net 96% increase of \$17,404,000. At the end of the current fiscal year, the business-type activities had total bonds and notes payable outstanding of \$29,730,000 compared to \$31,222,000 in the prior year, a 5% decrease of \$1,491,000.

Outstanding Debt as of September 30,					
	Governmental Activities (*)		Business-type Activities (*)		Total Primary Government (*)
	2024	2023	2024	2023	
Bonds and notes payable	\$ 35,484	\$ 18,080	\$ 29,730	\$ 31,222	\$ 65,214
Total	\$ 35,484	\$ 18,080	\$ 29,730	\$ 31,222	\$ 65,214

The governmental and business-type activities' long-term debt balances as well as additional information about the City's long-term debt can be found in Note 6 of the notes to financial statement section of this report.

CURRENTLY KNOWN FACTS, DECISIONS AND CONDITIONS

The City of Auburndale, Florida is located in Polk County. It encompasses approximately 26.18 square miles or 16,752 acres. The City was incorporated in 1911 and has a 2024 estimated population of 20,186 according to the Bureau of Economic and Business Research University of Florida. Through planned growth, Auburndale has attracted many major enterprises. Principal industries within the Utility Service area include: container manufacturers, plastic pipe manufacturing, breweries, food and consumer goods distribution centers, farm machinery, and many other industries and businesses.

The City is governed by a five-member City Commission who are elected at large to serve staggered four-year terms. The Mayor and Vice Mayor are elected by the members of the City Commission and serve a one-year term at which time a new Mayor and Vice Mayor are elected. For the FY 2024, members of the Commission were as follows:

<u>Name</u>	<u>Position</u>	<u>Term Expires</u>
Dorothea Taylor Bogert	Mayor	December 2025
Alex Cam	Vice Mayor	December 2027
William Sterling	Commissioner	December 2025
Keith Cowie	Commissioner	December 2025
Jordan Helms	Commissioner	December 2027

Administration of the operations of the City is carried out by a City Manager who is an employee of the City and appointed by the Commissioners. The present City Manager is Jeffrey E. Tillman, appointed City Manager in April 2021. Mr. Tillman joined the City of Auburndale in October 2016 as Assistant City Manager. For Fiscal Year 2024, there were 201 budgeted full-time employees.

The City is a desirable location to Live, Work and Play. The "leading indicators" of growth, such as requests for building permits, site plan approvals for new developments and redevelopment, and requests for land use and zoning changes, have all been very strong, indicating the outlook for continued growth is favorable. The City issued 21,933 permits and conducted 12,531 building inspections in FY 2024. These figures represented a decrease of 1% and an increase of 6.5%, respectively, when compared to the prior 3-year average. The City's Community Development Department has received many compliments from the business community for their business-friendly working relationship with contractors.

The City is focused on managing the tremendous growth happening in and around the City. The City's utilities department in 2022, engaged Chastain Skillman to conduct an evaluation of the Regional Wastewater Service Area. The results of the evaluation were used to develop the Capital Improvement Projects in 5-year increments for a 20-year horizon. Several major projects were identified including the Northern Force Main, Gapway Force Main, Southern Force Main Re-route, Pace Rd Master Liftstation, Hickory Rd Sprayfield and expansion of the Regional Wastewater Treatment Plant. The design, engineering and construction of these projects will extend through 2029 and provide ample wastewater collection, processing and discharge capacity to support the City's continued growth.

In the conduct of municipal government, various lawsuits, commitments, and contingencies will arise. However, the City has no known current lawsuits that are considered to pose any significant loss to the City.

The City continues to annex property to improve the tax base. As a policy, the City does not provide utility service without the property owner signing an annexation agreement. The annexation agreement provides that the property will be annexed whenever the property does become contiguous with the City limits. For the current fiscal year, the City annexed 1,310 acres.

The City has a vibrant Parks and Recreation Department with over 25 different facilities. Our Parks and Recreation facilities are suited to the citizen's interests including premier athletic fields and courts, parks and picnic areas, historic museums and landmarks, lakefront areas, and children-friendly playgrounds. The partnerships at the Lake Myrtle Sports Complex with Polk County Board of County Commissioners, Polk County Tourism and Sports Marketing, Florida Youth Soccer, Publix and Orlando Health have worked well over the years. The Lake Myrtle Sports Complex plays host to the Florida High School Athletic Association ("FHSAA") soccer state championships in 2024 – 2026 and continues to host the RussMatt Collegiate Tournament in February and March of each year along with many other sporting events at the complex.

The City broke ground on the Lake Ariana Park renovation project which will encompass 7 acres and include a brand new Civic Center, named Richard Hamann Hall, after Auburndale's longest serving Commissioner, park pavilions, a Great Lawn, new playground equipment, new dock, new boat ramp and a boathouse. The Civic Center will add to the City's rental facilities and provide a grand amenity for its guests on the shores of Lake Ariana.

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Auburndale's finances and to demonstrate the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the City of Auburndale, Finance Department, P. O. Box 186, Auburndale, FL 33823, call 863-968-5133, or email finance@auburndalefl.com.

CITY OF AUBURNDALE, FLORIDA
Statement of Net Position

September 30, 2024

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
ASSETS			
Equity in cash and investments	\$ 21,298,546	\$ 20,626,186	\$ 41,924,732
Receivables, current:			
Customer accounts, net	423,663	2,028,363	2,452,026
Franchise and utility service taxes	649,334	-	649,334
Intergovernmental	1,081,255	-	1,081,255
Accrued income	32,930	-	32,930
Inventory	26,844	-	26,844
Prepaid expenses	463,972	56,604	520,576
Restricted assets:			
Equity in cash and investments	24,154,315	21,029,669	45,183,984
Capital assets:			
Non-depreciable	18,693,306	28,925,859	47,619,165
Depreciable, net	59,037,715	56,883,860	115,921,575
TOTAL ASSETS	125,861,880	129,550,541	255,412,421
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	6,165,005	631,137	6,796,142
Deferred outflows related to OPEB	1,346,090	287,765	1,633,855
Deferred outflows - loss on refunding	8,539	720,439	728,978
TOTAL DEFERRED OUTFLOWS OF RESOURCES	7,519,634	1,639,341	9,158,975
LIABILITIES			
Accounts payable	1,047,241	497,469	1,544,710
Construction costs payable	654,835	763,298	1,418,133
Accrued payroll	479,860	97,419	577,279
Due to other governments	3,935	-	3,935
Unearned revenue	-	589,348	589,348
Accrued interest payable	458,285	324,804	783,089
Deposits	790	2,148,753	2,149,543
Long-term obligations:			
Due within one year	2,556,378	1,733,408	4,289,786
Due in more than one year	53,119,472	31,224,214	84,343,686
TOTAL LIABILITIES	58,320,796	37,378,713	95,699,509
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	253,367	-	253,367
Deferred inflows related to OPEB	4,875,828	1,042,346	5,918,174
TOTAL DEFERRED INFLOWS OF RESOURCES	5,129,195	1,042,346	6,171,541
NET POSITION			
Net investment in capital assets	56,793,590	56,836,865	113,630,455
Restricted for:			
Debt retirement	490,033	1,600,000	2,090,033
Community redevelopment	2,573,607	-	2,573,607
Recreation improvements	1,534,611	-	1,534,611
Fire rescue and safety improvements	2,273,686	-	2,273,686
Law enforcement	340,703	-	340,703
Building code enforcement	1,305,259	-	1,305,259
Water and sewer improvements	-	16,366,764	16,366,764
Unrestricted	4,620,034	17,965,194	22,585,228
TOTAL NET POSITION	\$ 69,931,523	\$ 92,768,823	\$ 162,700,346

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA
Statement of Activities
For the year ended September 30, 2024

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grant and Contributions	Capital Grant and Contributions	Governmental Activities	Business-Type Activities	Total
PRIMARY GOVERNMENT:							
Governmental activities:							
General government	\$ 1,872,656	\$ 104,500	\$ -	\$ 737,201	\$ (1,030,955)	\$ -	\$ (1,030,955)
Library	650,135	10,929	231,008	-	(408,198)	-	(408,198)
Police	6,960,552	377,716	302,924	243,674	(6,036,238)	-	(6,036,238)
Fire	3,738,629	-	157,455	245,839	(3,335,335)	-	(3,335,335)
Building and zoning	957,156	1,377,462	-	-	420,306	-	420,306
Public works administration	1,825,755	88,051	-	-	(1,737,704)	-	(1,737,704)
Sanitation	2,064,447	2,522,295	-	-	457,848	-	457,848
Streets	2,346,882	77,362	-	-	(2,269,520)	-	(2,269,520)
Parks and recreation	5,692,467	1,220,588	-	1,253,935	(3,217,944)	-	(3,217,944)
Community redevelopment	534,311	-	-	-	(534,311)	-	(534,311)
Interest on long-term debt	960,804	-	-	-	(960,804)	-	(960,804)
Total governmental activities	27,603,794	5,778,903	691,387	2,480,649	(18,652,855)	-	(18,652,855)
Business-type activities							
Water and wastewater utility	13,815,654	18,720,571	-	16,265,278	-	21,170,195	21,170,195
Total business-type activities	13,815,654	18,720,571	-	16,265,278	-	21,170,195	21,170,195
TOTAL PRIMARY GOVERNMENT	\$ 41,419,448	\$ 24,499,474	\$ 691,387	\$ 18,745,927	(18,652,855)	21,170,195	2,517,340
GENERAL REVENUES							
Taxes:							
Property taxes, levied for general purposes					8,329,390	-	8,329,390
Property taxes, levied for community redevelopment					2,145,574	-	2,145,574
Franchise taxes					2,723,290	-	2,723,290
Public service taxes					4,249,705	-	4,249,705
Fuel taxes levied for transportation purposes					980,819	-	980,819
State shared revenue					2,059,363	-	2,059,363
Investment earnings					1,732,307	1,957,142	3,689,449
Miscellaneous					177,388	-	177,388
Gain on disposal of capital assets					29,643	-	29,643
TRANSFERS					4,004,705	(4,004,705)	-
Total general revenues and transfers					26,432,184	(2,047,563)	24,384,621
CHANGE IN NET POSITION					7,779,329	19,122,632	26,901,961
NET POSITION, beginning of year					62,152,194	73,646,191	135,798,385
NET POSITION, end of year					\$ 69,931,523	\$ 92,768,823	\$ 162,700,346

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA
Balance Sheet – Governmental Funds
September 30, 2024

	General Fund	Community Redevelopment Agency	Impact Fee Special Revenue Fund	Total
ASSETS				
Equity in cash and investments	\$ 21,298,546	\$ 2,586,491	\$ 4,142,158	\$ 28,027,195
Receivables, current:				
Customer accounts, net	423,663	-	-	423,663
Franchise and utility service taxes	649,334	-	-	649,334
Intergovernmental	1,081,255	-	-	1,081,255
Accrued income	32,930	-	-	32,930
Inventory	26,844	-	-	26,844
Prepaid expenditures	384,056	-	-	384,056
Restricted assets:				
Equity in cash and investments	17,425,666	-	-	17,425,666
Total assets	<u>\$ 41,322,294</u>	<u>\$ 2,586,491</u>	<u>\$ 4,142,158</u>	<u>\$ 48,050,943</u>
LIABILITIES				
Accounts payable	1,034,357	12,884	-	1,047,241
Construction costs payable	654,835	-	-	654,835
Accrued wages	479,860	-	-	479,860
Due to other governments	3,935	-	-	3,935
Deposits	790	-	-	790
Total liabilities	<u>2,173,777</u>	<u>12,884</u>	<u>-</u>	<u>2,186,661</u>
FUND BALANCE				
Nonspendable:				
Inventory	26,844	-	-	26,844
Prepaid expenditures	384,056	-	-	384,056
Restricted for:				
Bond retirement	512,823	-	-	512,823
Recreation improvements	-	-	1,534,611	1,534,611
Fire rescue and safety improvements	-	-	2,273,686	2,273,686
Law enforcement	6,842	-	333,861	340,703
Community redevelopment	-	2,573,607	-	2,573,607
Facility construction (unspent bond proceeds)	15,600,742	-	-	15,600,742
Building code enforcement	1,305,259	-	-	1,305,259
Unassigned	21,311,951	-	-	21,311,951
Total fund balances	<u>39,148,517</u>	<u>2,573,607</u>	<u>4,142,158</u>	<u>45,864,282</u>
Total liabilities and fund balances	<u>\$ 41,322,294</u>	<u>\$ 2,586,491</u>	<u>\$ 4,142,158</u>	<u>\$ 48,050,943</u>

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Reconciliation of the Balance Sheet – Governmental Funds to the Statement of Net Position

September 30, 2024

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

FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 45,864,282
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.	77,731,021
Prepaid bond insurance is a long-term asset that is not available to pay for current period expenditures and, therefore, is not reported in the funds.	79,916
Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and, therefore, are not reported in the governmental funds.	7,519,634
Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and, therefore, are not reported in the governmental funds.	(5,129,195)
Interest payable on long-term debt does not require current financial resources and therefore, is not reported as a liability in governmental funds.	(458,285)
Long-term liabilities, including bonds and notes payable, compensated absences, subscriptions payable, other postemployment benefit obligations and net pension liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(55,675,850)
NET POSITION OF GOVERNMENTAL ACTIVITIES	<u><u>\$ 69,931,523</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDAStatement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds
For the year ended September 30, 2024

	General Fund	Community Redevelopment Agency	Impact Fee Special Revenue Fund	Total
REVENUES:				
Taxes	\$ 16,162,105	\$ 2,145,574	\$ -	\$ 18,307,679
Licenses and permits	962,781	-	845,589	1,808,370
Intergovernmental revenue	4,433,634	-	-	4,433,634
Charges for services	4,514,480	-	-	4,514,480
Fines and forfeitures	195,007	-	-	195,007
Investment income	1,700,787	14,596	16,925	1,732,308
Other	236,791	-	-	236,791
Total revenues	<u>28,205,585</u>	<u>2,160,170</u>	<u>862,514</u>	<u>31,228,269</u>
EXPENDITURES:				
Current:				
General government	1,739,751	-	-	1,739,751
Public safety	10,423,914	-	-	10,423,914
Physical environment	3,814,652	-	-	3,814,652
Economic environment	-	285,808	-	285,808
Transportation	1,120,344	-	-	1,120,344
Culture/recreation	4,821,761	-	-	4,821,761
Capital outlay	9,496,065	766,670	302,518	10,565,253
Debt service	2,543,463	-	-	2,543,463
Total expenditures	<u>33,959,950</u>	<u>1,052,478</u>	<u>302,518</u>	<u>35,314,946</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(5,754,365)</u>	<u>1,107,692</u>	<u>559,996</u>	<u>(4,086,677)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	7,197,180	(3,192,475)	-	4,004,705
Issuance of debt	18,994,629	-	-	18,994,629
Subscription-based IT arrangements	359,853	-	-	359,853
Sale of general capital assets	395,709	-	-	395,709
Insurance recoveries	28,570	-	-	28,570
TOTAL OTHER FINANCING SOURCES (USES)	<u>26,975,941</u>	<u>(3,192,475)</u>	<u>-</u>	<u>23,783,466</u>
NET CHANGE IN FUND BALANCE	<u>21,221,576</u>	<u>(2,084,783)</u>	<u>559,996</u>	<u>19,696,789</u>
FUND BALANCE, beginning of year	<u>17,926,941</u>	<u>4,658,390</u>	<u>3,582,162</u>	<u>26,167,493</u>
FUND BALANCE, end of year	<u>\$ 39,148,517</u>	<u>\$ 2,573,607</u>	<u>\$ 4,142,158</u>	<u>\$ 45,864,282</u>

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Reconciliation of The Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities
For the year ended September 30, 2024

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

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 19,696,789
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets are allocated over their estimated useful lives and reported as depreciation expense.	
This is the amount of capital assets recorded in the current period.	9,644,407
This is the amount of depreciation recorded in the current period.	(4,067,530)
This is the book value of dispositions recorded in the current period.	(58,540)
Long-term obligations including bonds and notes payable, subscription liabilities and compensated absences are reported as liabilities in the government-wide statement of net position but are not reported as liabilities in the governmental funds because they do not require the use of current financial resources:	
This is the repayment of long-term debt principal reported as expenditures in governmental funds.	1,581,109
This is the amount of new subscription liabilities issued in the current year.	(359,853)
This is the repayment of subscription liability principal in the current year.	239,620
This is the amount of new long-term debt obligations in the current year.	(18,994,629)
This is the change in accrued interest payable on long-term obligations.	(275,134)
This amount represents amortization of bond discounts and premiums.	9,407
This is the change in accrued compensated absences during the year.	(69,764)
This is the change in the deferred outflows related to a loss on refunding.	(3,547)
Governmental funds report the effect of prepaid bond insurance when the debt is first issued, whereas these amounts are reported as a prepaid asset on the statement of net position and amortized in the statement of activities:	
This is the bond insurance costs amortized in the statements of activities in the current year.	(6,183)
This is the prepaid bond insurance costs incurred in the current year.	37,388
Other postemployment benefit (OPEB) expense is reported in the statement of activities which differs from OPEB expenditures as reported in the governmental funds:	
This amount represents the change in deferred inflows related to OPEB.	(172,128)
This amount represents the change in deferred outflows related to OPEB.	(688,565)
This amount represents the change in the total OPEB liability.	1,570,085
Pension expense is reported in the statement of activities which differs from pension expenditures as reported in the governmental funds:	
This amount represents the change in deferred inflows related to pensions.	21,512
This amount represents the change in deferred outflows related to pensions.	(2,404,476)
This amount represents the change in the net pension liability.	2,079,361
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES	\$ 7,779,329

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Net Position – Proprietary Fund

September 30, 2024

	Enterprise Fund
ASSETS	
Current assets:	
Equity in cash and investments	\$ 20,626,186
Receivables:	
Customers, net	2,028,363
Unamortized bond insurance	56,604
Total current assets	<u>22,711,153</u>
Noncurrent assets:	
Restricted assets:	
Equity in cash and investments	21,029,669
Capital assets:	
Non-depreciable	28,925,859
Depreciable, net	56,883,860
Total noncurrent assets	<u>106,839,388</u>
Total assets	<u>129,550,541</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	631,137
Deferred outflows of resources related to OPEB	287,765
Deferred outflows - refunding loss	720,439
Total deferred outflows of resources	<u>1,639,341</u>

Continued...

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Net Position – Proprietary Fund (Concluded)

September 30, 2024

	Enterprise Fund
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 497,469
Construction costs payable	763,298
Accrued wages	97,419
Compensated absences, current portion	24,273
Post employment obligation payable, current portion	89,135
Bonds and notes payable, current	1,620,000
Total current liabilities	3,091,594
Noncurrent liabilities:	
Liabilities payable from restricted assets:	
Customer deposits	2,148,753
Interest payable	324,804
Unearned revenue	589,348
Compensated absences, noncurrent portion	221,374
Post employment obligation payable, noncurrent portion	1,601,589
Net pension liability	1,291,074
Bonds and notes payable, noncurrent portion	28,110,177
Total noncurrent liabilities	34,287,119
Total liabilities	37,378,713
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to OPEB	1,042,346
Total deferred inflows of resources	1,042,346
NET POSITION	
Net investment in capital assets	56,836,865
Restricted for:	
Debt retirement	1,600,000
Sewer improvements	8,503,003
Water improvements	7,863,761
Unrestricted	17,965,194
Total net position	\$ 92,768,823

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA**Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund**
For the year ended September 30, 2024

	Enterprise Fund
OPERATING REVENUES:	
Charges for services	\$ 18,720,571
Total operating revenues	<u>18,720,571</u>
OPERATING EXPENSES:	
Personnel services	1,923,875
Operating expenses	7,103,756
Depreciation	3,395,075
Total operating expenses	<u>12,422,706</u>
OPERATING INCOME	<u>6,297,865</u>
NONOPERATING REVENUE (EXPENSE)	
Investment revenue	1,957,142
Interest expense	(1,032,473)
Other nonoperating revenue	(360,475)
Total nonoperating revenues (expense)	<u>564,194</u>
INCOME BEFORE CONTRIBUTIONS AND TRANSFERS	<u>6,862,059</u>
CAPITAL CONTRIBUTIONS	
Capital grants and contributions	6,759,307
Impact fees	9,505,971
Total capital contributions	<u>16,265,278</u>
TRANSFERS OUT	<u>(4,004,705)</u>
CHANGE IN NET POSITION	19,122,632
NET POSITION, beginning of year	<u>73,646,191</u>
NET POSITION, end of year	<u><u>\$ 92,768,823</u></u>

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Cash Flows – Proprietary Fund

For the year ended September 30, 2024

	Enterprise Fund
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from customers	\$ 18,803,110
Payments to suppliers	(6,830,721)
Payments for salaries and benefits	(1,980,199)
Net cash flows from operating activities	<u>9,992,190</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Transfers to other funds	(4,004,705)
Net cash flows from noncapital financing activities	<u>(4,004,705)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition and construction of capital assets, net of related payables	(9,632,530)
Proceeds from sale of capital assets	(360,475)
Principal paid on long-term debt	(1,599,523)
Interest paid on borrowings	(965,224)
Impact fees received	9,614,118
Net cash flows from capital and related financing activities	<u>(2,943,634)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on invested funds	1,957,142
Net cash flows from investing activities	<u>1,957,142</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	5,000,993
CASH AND CASH EQUIVALENTS, beginning of year	<u>36,654,862</u>
CASH AND CASH EQUIVALENTS, end of year	<u><u>\$ 41,655,855</u></u>
As shown in the Accompanying Financial Statements	
Equity in cash and investments	\$ 20,626,186
Restricted equity in cash and investments	<u>21,029,669</u>
Total cash and cash equivalents	<u><u>\$ 41,655,855</u></u>
Noncash financing and investing activities:	
Joint venture loan guarantee	<u>\$ 108,146</u>
Donated water and sewer infrastructure	<u><u>\$ 1,109,060</u></u>

Continued...

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Cash Flows – Proprietary Fund (Concluded)

For the year ended September 30, 2024

	<u>Enterprise Fund</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:	
Operating income (loss)	\$ 6,297,865
Adjustments to reconcile operating income to net cash flows from operating activities:	
Depreciation expense	3,395,075
(Increase) decrease in accounts receivable	(111,134)
(Increase) decrease in amounts due from others	109,396
Increase (decrease) in customer deposits	193,673
Increase (decrease) in accounts payable	163,639
Increase (decrease) in accrued wages and compensated absences	33,626
(Increase) decrease in deferred outflows related to pensions	314,476
Increase (decrease) in net pension liability	(392,362)
(Increase) decrease in deferred outflows related to OPEB	123,820
Increase (decrease) in deferred inflows related to OPEB	(226,730)
Increase (decrease) in total OPEB liability	90,846
Net cash flows from operating activities	<u>\$ 9,992,190</u>

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2024

	Pension Trust Funds	Custodial Fund
ASSETS		
Cash and cash equivalents	\$ -	\$ 38,039
Receivables:		
Contributions receivable:		
City	519,442	-
Plan members	11,878	-
Accrued income	40,760	-
Total receivables	572,080	-
Investments, at fair value:		
Short-term money market funds	966,339	-
U.S. Government obligations	764,634	-
Mortgage/asset backed securities	2,263,669	-
Fixed income mutual funds	6,594,698	-
Corporate and foreign bonds	2,160,410	-
Equity securities	3,043,599	-
Equity mutual funds	36,277,310	-
Real estate investment fund	4,411,926	-
Total investments	56,482,585	-
Total assets	57,054,665	38,039
LIABILITIES		
Accounts payable	32,143	-
Due to other governments	-	38,039
Total Liabilities	32,143	38,039
NET POSITION		
Restricted for pension benefits	\$ 57,022,522	\$ -

The accompanying notes are an integral part of these financial statements

CITY OF AUBURNDALE, FLORIDA

Statement of Changes in Fiduciary Net Position – Fiduciary Funds

For the year ended September 30, 2024

	Pension Trust Funds	Custodial Fund
ADDITIONS		
Contributions:		
City	\$ 2,078,099	\$ -
Plan members	319,937	-
State of Florida	430,833	-
Fees collected on behalf of other governments	-	4,262,488
Total contributions	2,828,869	4,262,488
Investment income	10,752,223	46,925
Less investment expenses:		
Performance evaluation	73,000	-
Custodial fees	27,001	-
Investment management fees	56,408	-
Total investment expenses	156,409	-
Net investment income	10,595,814	46,925
Total additions	13,424,683	4,309,413
DEDUCTIONS		
Administrative expenses:		
Legal	19,307	-
Administrator fee	55,200	-
Actuarial	75,718	-
Insurance, supplies and other	12,626	-
Audit	17,111	-
Total administrative expenses	179,962	-
Remittance of fees to other governments	-	3,288,835
Project expenses	-	1,020,578
Payments to retirees and participants	3,728,142	-
Total deductions	3,908,104	4,309,413
CHANGE IN NET POSITION	9,516,579	-
NET POSITION, beginning of year	47,505,943	-
NET POSITION, end of year	\$ 57,022,522	\$ -

The accompanying notes are an integral part of these financial statements

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City's financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its statements (GASBS) and Interpretations (GASBI). The more significant accounting policies established by GAAP and used by the City are discussed below.

A. REPORTING ENTITY

The City of Auburndale, Florida (the "City") is a municipal corporation governed by a board of five elected commissioners and was established in 1911 by a special act of the Florida legislature, laws of the State of Florida Chapter 8324. The City was subsequently reincorporated by a special act in 1925, Chapter 10301. The City operates under a Commission-Manager form of government and provides services as authorized by its Charter: public safety (law enforcement, fire control, protective inspections and code enforcement), transportation (streets maintenance), culture/recreation (library services, special events, special facilities and parks & recreation), community development, community redevelopment, stormwater management, sanitation, public improvements, planning and zoning and general administrative services. The City also provides water and sewer utility services.

The accompanying financial statements present the City's primary government and component units based on the financial benefit/burden criteria in GASB Cod. Sec. 1200. Certain component units, although legally separate, are presented in the financial statements as "blended" components. Blending refers to the fact that the component unit's funds and account groups are combined with those of the primary government for financial reporting purposes. The City has one blended component unit, the Auburndale Community Redevelopment Agency (the "CRA") which was created by City Ordinance No. 772 pursuant to Florida Statutes chapter 163. The CRA is presented in the financial statements of the City as a special revenue fund.

These financial statements include the accounts and transactions of the following entities, which do not satisfy the definition of component units because they are not legally separate from the City:

- Auburndale Municipal Firefighters' Pension Trust Fund established pursuant to Florida Statute chapter 175 and Ordinance No. 799 and most recently restated by Ordinance No. 1654.
- Auburndale Municipal Police Officers' Pension Trust Fund established pursuant to Florida Statute chapter 185 and Ordinance No. 823 and most recently restated by Ordinance No. 1653.
- Restated Defined Benefit Retirement Income Plan for Employees of the City of Auburndale, Florida, restated by Ordinance No. 1640.

B. BASIS OF PRESENTATION

The basic financial statements consist of the government-wide financial statements and fund financial statements.

Government-wide Financial Statements - The required government-wide financial statements are the Statement of Net Position and the Statement of Activities, which report information on all of the nonfiduciary activities of the City. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements with the exception of interfund services provided and used which are not eliminated in the process of consolidation because elimination of these charges would distort the direct costs reported for the various functions concerned.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

The City's fiduciary funds are also excluded from the government-wide financial statements since by definition these assets are being held for the benefit of a third party and cannot be used to fund activities or obligations of the government. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *Business-type activities*, which rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment, including depreciation. The City does not allocate the interest expense of governmental fund debt or indirect costs such as finance, personnel, legal, etc. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements - 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 comprises its assets, liabilities, deferred inflows and outflows of resources, fund equity, revenues and expenditures/expenses. The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. GASB Cod. Sec 2200 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. Each major fund is presented in a separate column and all non-major funds are aggregated and presented in a single column. The City's fiduciary funds are presented in the fund financial statements by type (pension trust funds and a custodial fund) but as noted above are not included in the government-wide statements.

Funds are classified into three categories: governmental, proprietary and fiduciary. The funds used by the City are as follows:

The City reports the following major governmental funds:

- **General Fund** – The General Revenue Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund. Most of the essential governmental services such as public safety, public works, sanitation, street construction and maintenance, culture and recreation, and general administration are provided by the general fund.
- **Auburndale Community Redevelopment Agency (the "CRA")** The CRA was created by City Ordinance No. 772 pursuant to Florida Statutes chapter 163. Due to its profile in the community and to comply with the audit requirements of Section 163.387(8), Florida Statutes, the City electively added the CRA as a major fund. The CRA has the power to levy taxes or appropriate funds to preserve and enhance the designated CRA district which includes the downtown Auburndale area. The CRA receives the incremental ad valorem taxes generated in future years by the increase in property values in the redevelopment area. The CRA's property taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. The CRA's Board members consist of the City Commission and two appointed citizens.
- **Impact Fee Special Revenue Fund** – In response to the requirements of Section 163.31801, Florida Statutes, this fund was created to account for the financial transactions of the City impact fees other than water and sewer impact fees, which are accounted for in the enterprise fund. This fund does not meet the major fund criteria set forth in GASB Cod. Sec 2200 but management has elected to report the impact fee special revenue fund as a major fund to improve transparency and to demonstrate compliance with Section 163.31801, Florida Statutes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

The City reports the following major proprietary fund:

- **Enterprise Fund** – The Enterprise Fund accounts for the activities associated with providing potable water and sewer collection, treatment and disposal services to area residents and businesses.

In addition, the City reports the fiduciary funds:

- **Pension Trust Funds** - The City's employee benefit plans are comprised of three Pension Trust Funds which accumulate resources to provide retirement benefits to City employees. The three pension trust funds are the Auburndale Police Officers' Pension Trust Fund, Auburndale Firefighters' Pension Trust Fund, and the Restated Defined Benefit Retirement Income Plan for Employees of the City of Auburndale, Florida hereafter referred to as the General Employees' Pension Trust Fund.
- **Custodial Fund** – The custodial fund is to account for amounts collected on behalf of other governments mainly impact fees collected on behalf of Polk County, Florida (the "County"). These funds are collected on behalf of the County as new construction takes place within the City and remitted to the County monthly.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering contracts giving the City the right to use leased or subscription assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases or subscriptions are reported as other financing sources.

Property taxes, franchise and public service taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual as revenue of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

Imposed nonexchange resources (property taxes, fines) are reported as deferred inflows if received before the tax is levied or before the date when use is first permitted. Government mandated nonexchange transactions and voluntary nonexchange transactions are reported as liabilities until the eligibility requirements (excluding time requirements) are met and as deferred inflows if received before time requirements are met and all other eligibility requirements have been satisfied.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

Proprietary fund operating revenues generally result from producing or providing potable water and wastewater collection, treatment and disposal services to area residents. Operating expenses for these operations include all costs related to providing the service or product. These costs include billing and collection, personnel and purchased services, repairs and maintenance, depreciation, materials and supplies, and other expenses directly related to costs of services. All other revenue and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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

CASH AND INVESTMENTS – Cash and investments are reported in the financial statements as “Equity in cash and investments” under the City’s “pooling” concept (See Note 4). The City’s governmental funds and the proprietary fund deposits monies into the equity in cash and investment pool. Investment earnings are distributed in accordance with the participating funds relative percentage of investments. The proprietary fund uses this pool as a demand deposit account, and accordingly, all amounts in the pool are considered cash and cash equivalents for purposes of the statement of cash flows.

- **Equity in Cash and Investments** – The City maintains an accounting system which centralizes the investment function of all funds. Each fund’s “share” of these pooled cash and investments are included in equity in cash and investments on the accompanying balance sheets/statements of net position.
- **Restricted Equity in Cash and Investments** – Represents equity in pooled cash and investments and separately identified cash or investments that are legally restricted to specific uses by external parties or enabling legislation. The City generally uses restricted resources first when an expenditure/expense is incurred for which both restricted and unrestricted resources are available.

RECEIVABLES – In the government-wide financial statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include grants, and sales, utility and franchise taxes. Receivables for business-type activities represent grants and unpaid bills for utility services. Allowances for uncollectible accounts receivable are based upon historical trends. Receivables are reported net of allowances for uncollectible accounts receivable where applicable. At year end this allowance amounted to \$4,000 in the business-type activities.

INTERFUND BALANCES – Transactions between funds that result in amounts owed are referred to as either “due from/to other funds” for current interfund loans or “advances from/to other funds” for noncurrent interfund loans. Amounts receivable from, or payable to, other funds are reflected in the account of the fund until liquidated. Any remaining balance are reported in the government-wide statements as “internal balances”.

INVENTORY – Inventories of expendable supplies are recorded at year-end, if material. These inventories are reported at cost on a first-in, first-out basis. They are recorded as expenditures at the time individual inventory items are used.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

CAPITAL ASSETS - In the government-wide financial statements capital assets include land, buildings, improvements, utility plant, infrastructure and furniture and equipment. Capital assets are defined by City ordinance as furniture or equipment with an individual cost of \$5,000 or land, buildings and improvements, utility plant, infrastructure and intangible assets having an initial cost of \$25,000 and an estimated useful life more than one year. Such assets are recorded at historical cost, if purchased, and at acquisition value at date of gift, if donated. Major additions (defined above) are capitalized while maintenance and repairs which do not improve or extend the life of the respective assets are charged to expense.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Depreciation expense is recorded as an expense of each applicable governmental function in the statement of activities, with accumulated depreciation netted with capital assets in the statement of net position. Capital asset depreciation is recognized using the straight-line method over the estimated useful lives as follows:

<u>Asset Type</u>	<u>Years</u>
Buildings and improvements	10-40
Utility system	15-35
Machinery and equipment	3-20
Infrastructure:	
Streets	80
Road resurfacing	10-15
Sidewalks	40
Drainage	50

INTEREST COSTS - Interest costs incurred before the end of a construction period is a financing activity separate from the related capital asset and interest costs incurred before the end of the construction period are recognized as an expense in the period in which the cost is incurred. These interest costs are not capitalized as part of the historical cost of the capital asset.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES - In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and will *not* be recognized as an outflow of resources (expense/expenditure) until that time.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

The City has three items that qualifies for reporting as deferred outflows of resources as follows:

Deferred outflows related to pensions - The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Cod. Sec. P20 and will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

Deferred outflows related to Other Postemployment Benefits (OPEB) – The deferred outflows Cod. Sec. P52 and will be recognized in OPEB expense in future reporting years.

Deferred outflows – loss of refunding - This item is a deferred charge on refunding that results from the difference in the carrying value of a refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

The City has two items that qualify for reporting as deferred inflows of resources as follows:

Deferred inflows related to pensions - The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Cod. Sec. P20 and will be recognized as a reduction to pension expense in future reporting years.

Deferred inflows related to OPEB – The deferred inflows related to OPEB are an aggregate of items related to OPEB as calculated in accordance with GASB Cod. Sec. P52 and will be recognized as a reduction to OPEB expense in future reporting years.

LONG-TERM OBLIGATIONS - In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the bonds outstanding method. Debt issuance costs are reported as an expense in the period incurred. Bond premiums and discounts are reported, net of amortization, in the related debt balances shown in the financial statements. For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is the shorter. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements; rather the debt proceeds are reported as other financing sources and payments of principal and interest are reported as expenditures.

COMPENSATED ABSENCES – The City personnel policy provides for the payment of accrued vacation and sick pay upon separation of its employees. The liability for these compensated absences is recorded as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured because of employee resignations, terminations or retirements. The City accounts for leave taken on a last-in-first-used basis.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont...)

INTERFUND TRANSFERS – Permanent reallocation of resources between the funds of the City are classified as interfund transfers. Transfers between governmental funds or between proprietary funds are netted as part of the reconciliation to the government-wide financial statement presentation.

CONNECTION FEES AND CAPACITY FEES – Water connection fees represent reimbursement of the costs incurred to perform the connection of the respective utilities and are recorded as operating revenue when received. Capacity fees, which are not considered connection fees since they substantially exceed the cost of connection, are recorded as capital contributions when received. Prepaid impact fees received, which reserve capacity in the City’s future water facilities, are reported as capital contributions when the requirements of the Developer agreements are met by the City.

ON-BEHALF PAYMENTS FOR FRINGE BENEFITS - The City receives on-behalf payments from the State of Florida to be used for Municipal Police Officers’ Pension Plan and Municipal Firefighters’ Pension Plan contributions which totaled \$281,258 and \$149,575 respectively, for the fiscal year ended September 30, 2024. Such payments are recorded as intergovernmental revenue and public safety expenses/expenditures in the government-wide and general fund financial statements but are not budgeted and therefore are not included in the general fund budgetary basis financial statements.

SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA) - The City recognizes a subscription liability and an intangible right-to-use asset (subscription asset) in the government-wide financial statements when the initial, individual value of the subscription asset is deemed material to the financial statements.

At the commencement of a subscription, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at the commencement of the subscription term and any capitalizable implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The City uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for the subscription liability calculation.
- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments that are fixed in substance, any contract incentives receivable from the vendor and any other payments associated with the contract that are reasonably certain of being required based on an assessment of all relevant factors.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term obligations on the statement of net position.

EQUITY CLASSIFICATIONS -

Government-wide Statements - The difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources is classified as net position and displayed in three components:

Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

	Governmental Activities	Business-type Activities
Capital assets, net	\$ 77,731,021	\$ 85,809,719
Deferred outflows - loss on refunding	8,539	720,439
Less:		
Construction costs payable	(654,835)	(763,298)
Long-term debt related to capital assets	(35,891,877)	(28,929,995)
Reduced by unspent debt proceeds	15,600,742	-
Net investments in capital assets	<u>\$ 56,793,590</u>	<u>\$ 56,836,865</u>

Restricted net position – Consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions.

Unrestricted net position - Consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

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

Fund Statements - The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor the constraints on the specific purposes for which amounts in those funds can be spent. Spendable resources are to be shown as restricted, committed, assigned and unassigned as considered appropriate in the City's circumstances. The following classifications describe the relative strength of the spending constraints:

Nonspendable — amounts that cannot be spent either because they are in nonspendable form (such as inventory) or because they are legally or contractually required to be maintained intact.

Restricted — amounts that can be spent only for specific purposes stipulated by (a) external resource providers such as creditors (by debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed — amounts constrained to specific purposes by formal action (ordinance) of the City using its highest level of decision-making authority (the City Commission). To be reported as committed, amounts cannot be used for any other purpose unless the City Commission takes the same highest-level action (ordinance) to remove or change the constraint.

Assigned — amounts that are constrained by the City's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the City Commission or through the City Commission delegating this responsibility to the City Manager through the budgetary process. The City Commission has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (concluded)

Unassigned — This classification is used for (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed or assigned.

The City uses restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The City Commission has established the targeted minimum reserve balance in the City's general fund unassigned fund balance equal to 25% of the general fund's subsequent fiscal year budgeted operating expenditures. For purposes of this calculation, the subsequent fiscal year budgeted operating expenditures do not include capital outlay expenditures, funding of reserves nor the debt service expenditures for the Capital Improvement Series 2015 note; and the Non-advalorem Bond, Series 2021 because the debt service for these debt issues are reimbursed through an agreement with Polk County, Florida.

If, at the end of any fiscal year, the actual amount of "unassigned fund balance" falls below the targeted levels set forth herein, a plan shall be established to achieve the target by adding a designated amount to the budget to cover the deficiency over a period not to exceed five (5) fiscal years. In the event that the "unassigned fund balance" exceeds the amounts set forth herein, the excess may be utilized for any lawful purpose. Appropriation of the minimum reserve balances, once met, shall require the approval of the City Commission by inclusion in the approved annual budget. Compliance with the provisions of the minimum fund balance policy shall be reviewed as a part of the annual budget adoption process and the amounts of non-spendable, restricted, committed, assigned and unassigned fund balance shall be determined during this process. Any changes to the targeted amounts established herein must be approved by the City Commission.

USE OF ESTIMATES – The preparation of the basic financial statements in conformity with generally accepted accounting principles, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the basic financial statements. Actual results could differ from estimates.

NOTE 2 - PROPERTY TAX CALENDAR

Under Florida Law, the assessment of all properties and the collection of all county, municipal, special districts and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The tax levy of the City is established by the City Council prior to October 1 of each year and the Polk County Property Appraiser incorporates the millages into the total tax levy, which includes the municipalities, the County, independent districts and the Polk County School Board tax requirements. State statutes permit cities to levy property taxes at a rate of up to 10 mills. The City's millage rate in effect for the fiscal year ended September 30, 2024 was 4.2515.

All taxes are due and payable on November 1 of each year and unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment as follows: 4% in of November, 3% in December, 2% in January, 1% in February. The taxes paid in March are without discount. Delinquent taxes on real and personal property bear interest of 18% per year. On or prior to June 1 following the tax year, certificates are sold for all delinquent taxes on real property.

NOTE 3 - BUDGETARY LAW AND PRACTICE

The budget is adopted by Ordinance on a City-wide basis for all City funds on or before October 1 of each year as required by State Statute. City Ordinance establishes the legal level of budgetary control at the individual fund level. Expenditures may not exceed appropriations at this level. Budgets for all funds are adopted on the modified accrual basis which differs from the basis used for financial reporting purposes in the enterprise fund. The budgetary comparison schedule for the General Fund, the CRA and the Impact Fee Special Revenue Fund, all major governmental funds, are reported as required supplementary information and can be found by referencing the table of contents of this report.

NOTE 4 – CASH AND INVESTMENTS

A common cash and investment pool is maintained for use by all governmental and proprietary funds. The “Equity in cash and investments” on the city-wide financial statements consists of each funds’ claim on the pooled cash and investments and defined as resources that can be liquidated without a significant delay or penalty. Cash and investments segregated as required by bond covenants or enabling legislation are classified as “restricted assets”. Investment earnings are allocated to the individual funds monthly based on the funds’ weighted average monthly cash and investment balance. The City does not have a formal investment policy and are therefore required to adhere to Section 218.415 (17), Florida Statutes which allows the City to invest surplus funds in the following investments: Local Government Surplus Funds Trust Fund, money market funds with the highest credit quality rating, time deposits or savings accounts in qualified public depositories, direct obligations of the U.S. Treasury or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969.

The City’s defined benefit pension trust funds are authorized by City Ordinances to invest in a variety of deposits and investments subject to certain limitations.

Deposits and investments as of September 30, 2024 (excluding deposits and investments held in the City’s fiduciary funds):

City-wide Cash and Investments	
Cash on hand	\$ 3,200
Cash deposits in financial institutions:	
Insured or fully collateralized bank deposits	22,561,122
FL SAFE Stable NAV Fund	57,618,646
Investments in U.S. Government Obligations	<u>6,925,748</u>
Total cash and investments	<u>\$ 87,108,716</u>

Custodial Credit Risk-Deposits

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the City’s cash deposits may not be returned to the City.

NOTE 4 – CASH AND INVESTMENTS (cont...)

The City's deposits are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 per financial institution. All deposits are held in *qualified public* depositories. These depositories participate in a shared risk collateral pool overseen by the State of Florida and established by Florida Statute. The State of Florida collateral pool is a multiple financial institution pool which provides for additional amounts to be assessed to the members of the pool if the value of the pool's collateral is inadequate to cover a loss. The amounts covered by the pool are considered *insured* for financial reporting disclosure requirements. Because of this arrangement, management believes the City's deposits are not exposed to custodial credit risk.

Custodial credit risk – Investments

Custodial credit risk for investments is the risk that, in the event of a failure by the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The City has no formal policy regarding custodial credit risk. The City's investments in the FL SAFE Stable NAV fund are investments in external investment pools and are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

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Interest rate and credit risk

Interest rate risk exists when there is a possibility that change in interest rates could adversely affect an investment's fair value. Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfil its obligations. Information related to interest rate and credit risk for the City's fixed income investments on September 30, 2024 is summarized below:

Investment Type	S&P Rating	Fair Value	Weighted Average Duration (WAD) / Weighted Average Maturity (WAM)
Primary government			
FL SAFE Stable NAV Fund	AAAm	\$ 57,618,646	WAM 37 days
U.S. Government obligations	AA+	6,925,748	WAM 15 days
General Employees' Pension Trust Fund:			
Short-term money market	AAAm	306,781	WAM 0.00 years
U.S. Government obligations	AA+	764,634	WAM 5.97 years
Mortgage/asset backed securities	Not Rated	2,263,669	WAM 24.62 years
Corporate and foreign bonds	BBB to AA-	2,160,410	WAM 6.69 years
		<u>\$ 5,495,494</u>	
Police Officers' Pension Trust Fund:			
Short-term money market	AAAm	\$ 348,876	WAD 0.00
Fixed income mutual funds:			
Baird Aggregate Bond Fund	Not Rated	2,089,907	WAD 6.20
Dodge & Cox Income Fund	Not Rated	2,267,940	WAD 6.30
		<u>4,357,847</u>	
		<u>\$ 4,706,723</u>	
Firefighters' Pension Trust Fund:			
Short-term money market	AAAm	\$ 310,682	WAD 0.00
Fixed income mutual funds:			
Baird Aggregate Bond Fund	Not Rated	1,121,901	WAD 6.20
Dodge & Cox Income Fund	Not Rated	1,114,950	WAD 6.30
		<u>2,236,851</u>	
		<u>\$ 2,547,533</u>	

Investments – Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

At the end of the fiscal year, neither the City nor the pension trust funds had investments classified as Level 3 assets in its portfolio.

NOTE 4 – CASH AND INVESTMENTS (cont...)

The City (excluding pension trust fund investments) had the following recurring fair value measurements as of September 30, 2024:

- FL SAFE Stable NAV fund investments of \$57,618,646 are valued using amortized cost.
- Investments in U.S. Government obligations of \$6,925,748 are classified in level 2 of the fair value hierarchy as they are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The City's Pension Trust Funds have the following recurring fair value measurements as of September 30, 2024:

General Employees' Pension Trust Fund:

	September 30, 2024	Level 1	Level 2	Level 3
Investments at fair value				
U.S. Government obligations	\$ 764,634	\$ 175,773	\$ 588,861	\$ -
Mortgage/asset backed securities	2,263,669	-	2,263,669	-
Corporate and foreign bonds	2,160,410	-	2,160,410	-
Equity mutual funds	19,559,664	19,559,664	-	-
Total investments by fair value level	24,748,377	\$ 19,735,437	\$ 5,012,940	\$ -
Investments measured at amortized cost				
Short-term money market	306,781			
Investments measured at net asset value (NAV)				
Real estate investment fund	2,079,088			
Total investments	<u>\$ 27,134,246</u>			

The General Employees' Pension Trust Fund owns shares in a real estate investment fund which is a pooled investment fund that is a broadly diversified core real estate fund that reports its value at net asset value (NAV) per share. Redemption requests of units in the real estate investment fund may be made at any time and are effective at the end of the calendar quarter in which the request is received by the investment fund. The units that are subject to a redemption notice may be redeemed in installments as funds become available for such purpose and the redemption price will be the value per unit at such time the payment is made. The real estate investment fund is not required to liquidate or encumber assets or defer investments to make redemptions. On September 21, 2022, based on the number of redemption request received, the real estate investment fund determined that it was in the best interest of the investors of the fund to limit the amount of initial payments on redemption requests and to make payments, as cash becomes available, on a pro rata basis as provided under the terms of the investment agreement.

All investments of the real estate investment fund are appraised by independent third-party property appraisers who hold the MAI designation, each quarter, commencing the quarter after the investment is made. The MAI designation has long been recognized as a mark of excellence in the field of real estate valuation services and is awarded by the Appraisal Institute which is a global professional association of real estate appraisers.

NOTE 4 – CASH AND INVESTMENTS (cont...)

Police Officers’ Pension Trust Fund:

	September 30, 2024	Level 1	Level 2	Level 3
Investments at fair value				
Fixed income mutual funds	\$ 4,357,847	\$ 4,357,847	\$ -	\$ -
Equity securities	1,911,824	1,911,824	-	-
Equity mutual funds	10,802,721	10,802,721	-	-
Total investments at fair value	17,072,392	\$ 17,072,392	\$ -	\$ -
Investments measured at amortized cost				
Short-term money market	348,876			
Investments measured at net asset value (NAV)				
Real estate investment fund	1,472,099			
Total investments	<u>\$ 18,893,367</u>			

Firefighters’ Pension Trust Fund:

	September 30, 2024	Level 1	Level 2	Level 3
Investments at fair value				
Fixed income mutual funds	\$ 2,236,851	\$ 2,236,851	\$ -	\$ -
Equity securities	1,131,775	1,131,775	-	-
Equity mutual funds	5,914,925	5,914,925	-	-
Total investments at fair value	9,283,551	\$ 9,283,551	\$ -	\$ -
Investments measured at amortized cost				
Short-term money market	310,682			
Investments measured at net asset value (NAV)				
Real estate investment fund	860,739			
Total investments	<u>\$ 10,454,972</u>			

Debt and equity securities classified in level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Debt securities classified in level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities’ relationship to benchmark quoted prices.

The Police Officers’ and Firefighters’ Pension Trust Fund owns shares in a pooled real estate investment fund that reports its value at net asset value (NAV) per share and is invested in a diversified real estate investment portfolio consisting primarily of high quality, well leased real estate properties in multifamily, industrial, office, retail, and hotel sectors.

Redemption requests of units in the real estate investment fund may be made at any time and are effective the next business day. The fund manager maintains a contractual ability to limit withdrawals. As of September 30, 2024, there was a withdrawal limitation in effect that delays payment of withdrawal requests and provides payment on a pro rata basis as cash becomes available for distribution and determined by the fund manager.

NOTE 4 – CASH AND INVESTMENTS (concluded)

All investments of the real estate investment fund are appraised by independent third-party property appraisers who hold the MAI designation, each quarter, commencing the quarter after the investment is made.

Concentration of Credit Risk

Concentration of credit risk is defined as when five percent or more of the total investments are invested with one issuer. Investments issued or explicitly guaranteed by the United States government and investments in mutual funds or pools are excluded. There were no concentrations to disclose for the year ended September 30, 2024.

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NOTE 5 - CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2024 was as follows:

	Balance October 1, 2023	Transfers	Increases	Decreases	Balance September 30, 2024
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 7,660,250	\$ -	\$ 214,710	\$ -	\$ 7,874,960
Infrastructure - land	1,307,379	-	-	-	1,307,379
Construction in process	3,297,997	-	6,212,970	-	9,510,967
Total capital assets, not being depreciated	12,265,626	-	6,427,680	-	18,693,306
Capital assets, being depreciated:					
Buildings and improvements	56,789,688	-	-	(243,933)	56,545,755
Equipment	15,315,650	(31,630)	1,970,696	(738,412)	16,516,304
Subscription assets	319,202	-	306,852	-	626,054
Infrastructure:					
Road network	23,018,709	-	939,179	-	23,957,888
Sidewalks	653,711	-	-	-	653,711
Stormwater drainage	1,119,147	-	-	-	1,119,147
Total capital assets, being depreciated	97,216,107	(31,630)	3,216,727	(982,345)	99,418,859
Less accumulated depreciation for:					
Buildings and improvements	(17,103,281)	-	(1,546,250)	223,481	(18,426,050)
Equipment	(9,674,230)	31,630	(1,344,331)	700,324	(10,286,607)
Subscription assets	(38,652)	-	(79,801)	-	(118,453)
Infrastructure:					
Road network	(9,986,130)	-	(1,059,063)	-	(11,045,193)
Sidewalks	(175,970)	-	(16,061)	-	(192,031)
Stormwater drainage	(290,786)	-	(22,024)	-	(312,810)
Total accumulated depreciation	(37,269,049)	31,630	(4,067,530)	923,805	(40,381,144)
Total capital assets being depreciated, net	59,947,058	-	(850,803)	(58,540)	59,037,715
Governmental activities capital assets, net	\$ 72,212,684	\$ -	\$ 5,576,877	\$ (58,540)	\$ 77,731,021
Business-type activities:					
Capital assets, not being depreciated:					
Land	\$ 16,357,169	\$ -	\$ -	\$ -	\$ 16,357,169
Construction-in-progress	3,650,099	-	8,918,591	-	12,568,690
Total capital assets, not being depreciated	20,007,268	-	8,918,591	-	28,925,859
Capital assets, being depreciated:					
Utility plant	111,575,449	-	1,154,904	-	112,730,353
Equipment	4,111,978	31,630	481,934	(64,097)	4,561,445
Total capital assets, being depreciated	115,687,427	31,630	1,636,838	(64,097)	117,291,798
Less accumulated depreciation for:					
Utility plant	(54,562,198)	-	(3,071,596)	-	(57,633,794)
Equipment	(2,483,132)	(31,630)	(323,479)	64,097	(2,774,144)
Total accumulated depreciation	(57,045,330)	(31,630)	(3,395,075)	64,097	(60,407,938)
Total capital assets being depreciated, net	58,642,097	-	(1,758,237)	-	56,883,860
Business-type activities capital assets, net	\$ 78,649,365	\$ -	\$ 7,160,354	\$ -	\$ 85,809,719

Depreciation expense and accumulated depreciation in the above tables of Note 5 include amortization expense and accumulated amortization of the subscription assets of the governmental activities.

NOTE 5 - CAPITAL ASSETS (concluded)

Depreciation expense was charged to the following programs and functions:

Governmental Activities:

General government	\$	76,620
Library		20,975
Police		488,070
Fire		333,407
Building and zoning		59,369
Public works		20,720
Sanitation		213,174
Streets		1,240,552
Parks and recreation		1,614,643
Total depreciation expense - governmental activities	\$	<u>4,067,530</u>

Business-type Activities:

Water and wastewater system	\$	<u>3,395,075</u>
Total depreciation expense - business-type activities	\$	<u>3,395,075</u>

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CITY OF AUBURNDALE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2024

NOTE 6 - LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the year ended September 30, 2024:

	Balance October 1, 2023	Increases	Decreases	Balance September 30, 2024	Amounts Due within One Year
<u>Governmental Activities:</u>					
<u>Long-term liabilities:</u>					
<i>Long-term debt:</i>					
Bonds and notes payable:					
Direct borrowings or placements:					
Capital improvement, Series 2015	\$ 3,250,000	\$ -	\$ (205,000)	\$ 3,045,000	\$ 210,000
FMLC Revenue Bonds, Series 2019B	8,160,000	-	(160,000)	8,000,000	170,000
Non-advalorem Revenue Bond, Series 2021	3,174,319	-	(330,860)	2,843,459	336,120
FMLC Revenue Bonds, Series 2024B	-	17,515,000	-	17,515,000	510,000
Fleet purchase loan - 2021	115,996	-	(38,855)	77,141	41,362
Fleet purchase loan - 2020	97,355	-	(51,171)	46,184	46,184
Fleet purchase loan - 2019	51,661	-	(51,661)	-	-
Premiums (discounts), net	662,757	1,479,629	(163,562)	1,978,824	-
Subtotal	15,512,088	18,994,629	(1,001,109)	33,505,608	1,313,666
Other bonds and notes payable:					
Public improvements, Series 2016	2,530,000	-	(580,000)	1,950,000	595,000
Premiums (discounts), net	37,628	-	(9,407)	28,221	-
Subtotal	2,567,628	-	(589,407)	1,978,221	595,000
Total long-term debt	18,079,716	18,994,629	(1,590,516)	35,483,829	1,908,666
<i>Other liabilities:</i>					
Subscription liability	287,815	359,853	(239,620)	408,048	122,659
Other postemployment benefits	9,478,857	-	(1,570,085)	7,908,772	416,949
Net pension liability	12,860,719	-	(2,079,361)	10,781,358	-
Compensated absences	1,024,079	69,764	-	1,093,843	108,104
Total other liabilities	23,651,470	429,617	(3,889,066)	20,192,021	647,712
Total long-term liabilities	\$ 41,731,186	\$ 19,424,246	\$ (5,479,582)	55,675,850	\$ 2,556,378
Less amounts due in one year				(2,556,378)	
Net long-term liabilities in excess of one year				\$ 53,119,472	
<u>Business-type Activities:</u>					
<u>Long-term liabilities:</u>					
<i>Long-term debt:</i>					
Bonds and notes payable:					
Water and sewer, Series 2006	\$ 3,195,000	\$ -	\$ (1,010,000)	\$ 2,185,000	\$ 1,065,000
Water and sewer, Series 2016	26,730,000	-	(545,000)	26,185,000	555,000
Premiums (discounts), net	604,518	-	(44,523)	559,995	-
Subtotal	30,529,518	-	(1,599,523)	28,929,995	1,620,000
Other long-term debt:					
Joint venture loan guarantee	692,036	108,146	-	800,182	-
Total long-term debt	31,221,554	108,146	(1,599,523)	29,730,177	1,620,000
<i>Other liabilities:</i>					
Other postemployment benefits	1,917,454	-	(226,730)	1,690,724	89,135
Net pension liability	1,683,436	-	(392,362)	1,291,074	-
Compensated absences	246,358	-	(711)	245,647	24,273
Total other liabilities	3,847,248	-	(619,803)	3,227,445	113,408
Total long-term liabilities	\$ 35,068,802	\$ 108,146	\$ (2,219,326)	32,957,622	\$ 1,733,408
Less amounts due in one year				(1,733,408)	
Net long-term liabilities in excess of one year				\$ 31,224,214	

NOTE 6 - LONG-TERM OBLIGATIONS (cont...)

Notes to Long-Term Obligations Table

Long term liabilities, including accumulated compensated absences, subscriptions payable and pension/OPEB liabilities, are typically liquidated by the individual fund to which the liability is directly associated, in the governmental funds, such long-term obligations have been liquidated by the general fund.

Changes in accumulated compensated absences in the long-term obligations schedule are reported as a net amount as opposed to showing separate increases and decreases.

Interest Included as Direct Expense:

None of the interest on governmental activities long-term debt has been included in the direct expenses of any of the various programs.

Governmental Activities:

Capital Improvement Revenue Note, Series 2015 - These notes were issued August 25, 2015 in the amount of \$4,500,000 to fund new baseball fields at Lake Myrtle Sports Complex and are repayable from non-ad valorem revenues and mature serially on December 1 of each year through December 2035 with interest at 3.345% payable semiannually on June 1 and December 1. The County will pay the City annually such amounts of its tourist tax receipts to pay the principal and interest on these bonds as they become due. In the event of default, the lender has the right to take whatever legal actions necessary to collect the amounts due and may declare the entire principal and interest due and payable together with all accrued and unpaid interest. If any amount due is not paid by the 10th day following a scheduled payment date, the City is obligated to pay a 5% late fee of the past due amount and the interest rate on the amounts then due will increase to 18%.

Public Improvements Revenue Bonds, Series 2016 - These bonds were issued October 13, 2016 in the amount of \$5,720,000 to refund the Public Improvements Series 2006 and 2009B bonds. The Series 2006 bonds were originally issued to refund the Series 1999 bonds which were used to fund the construction of new police and fire facilities. The Series 2009B bonds were used to fund the Lake Myrtle Sports Complex expansion. The new bonds mature serially on December 1 of each year through December 1, 2029 with interest payable semi-annually on June 1 and December 1 at rates ranging from 1.07% to 2.57%. In the event of default, the lender has the right to take whatever legal actions necessary, including the appointment of a receiver, to collect the amounts due.

FMLC Revenue Bonds, Series 2019B - These bonds were issued on October 7, 2019 with a face amount of \$8,600,000 plus an issuance premium of \$840,267. The proceeds were used to finance the acquisition, construction and/or equipping of capital improvements of the governmental activities. The bonds mature serially on December 1 of each year through December 1, 2049 with interest payable semi-annually on June 1 and December 1 at rates ranging from 3.00% to 5.00%. In the event of default, the lender has the right to take whatever legal actions necessary, including the appointment of a receiver, to collect the amounts due.

FMLC Revenue Bonds, Series 2024B - These bonds were issued on May 1, 2014 with a face amount of \$17,515,000 plus an issuance premium of \$1,479,629. The proceeds were used to finance the acquisition, construction and/or equipping of capital improvements of the governmental activities. The bonds mature serially on December 1 of each year through December 1, 2043 with interest payable semi-annually on June 1 and December 1 at rates ranging from 2.98% to 4.10%. In the event of default, the lender has the right to take whatever legal actions necessary, including the appointment of a receiver, to collect the amounts due.

NOTE 6 - LONG-TERM OBLIGATIONS (cont...)

Non-advalorem Revenue Bond, Series 2021 – This bond was issued October 7, 2021 in the amount of \$3,500,000. The proceeds were used to finance the acquisition, expansion, design, construction and/or equipping of capital improvements of the governmental activities, including the construction of a stadium and related support facilities at lake Myrtle Park. The bond bears interest at 1.59% and interest is payable semi-annually on December 1 and June 1 of each year with principal due each December 1 till maturity on December 1, 2031. Pursuant to an interlocal agreements the County will pay the City annually such amounts of its tourist tax receipts to pay the principal and interest on these bonds as they become due. In the event of default, the lender has the right to take whatever legal actions necessary, including the appointment of a receiver, to collect the amounts due.

Fleet Purchase Loan – 2019 – The City financed the purchase of eight vehicles with Enterprise FM Trust (lender) in the original amount of \$187,536. The terms of the note required monthly payments of principal and interest in the amount of \$3,535 and matured on August 1, 2023. The note bore interest at 7.86%. In the event of default, the lender had the right to take whatever legal actions necessary to collect the amounts due and to forcibly repossess the vehicles securing the note.

Fleet Purchase Loan – 2020 – The City financed the purchase of eight vehicles with Enterprise FM Trust (lender) in the original amount of \$218,890. The terms of the note require monthly payments of principal and interest in the amount of \$4,183 and matures on May 1, 2025. The loan bears an average interest rate of 8.53%. In the event of default, the lender has the right to take whatever legal actions necessary to collect the amounts due and may forcibly repossess the vehicles securing the note.

Fleet Purchase Loan – 2021 – The City financed the purchase of eight vehicles with Enterprise FM Trust (lender) in the original amount of \$208,054. The terms of the note require monthly payments of principal and interest in the amount of \$3,725 and matures on March 1, 2026. The loan bears an average interest rate of 6.27%. In the event of default, the lender has the right to take whatever legal actions necessary to collect the amounts due and may forcibly repossess the vehicles securing the note.

Business-Type Activities:

None of the long-term debt of the business-type activities arose through direct borrowings or placements.

Water and Sewer Revenue Bonds - The water and sewer revenue certificates series 2006 and 2016 are secured by the net revenues of the water and sewer system and require the maintenance of a debt service sinking account, the 2006 Series requires a renewal and replacement reserve of \$250,000.

Water and Sewer Revenue Bonds Series 2006 - These bonds were issued December 1, 2006 in the amount of \$13,725,000 to refund the 1995 Series bonds, the proceeds of which were used to fund water and sewer system improvements. The 2006 bonds mature serially on December 1 of each year through December 2025, with interest ranging from 5.25% to 5.375% payable semiannually on June 1 and December 1 of each year. In the event of default, the lender has the right to take whatever legal actions necessary, including the appointment of a receiver, to collect the amounts due.

Water and Sewer Revenue Bonds Series 2016 - These bonds were issued September 29, 2016 in the amount of \$29,695,000 to advance refund the Water and Sewer Series 2007 and 2009 bonds and the existing revolving line of credit and to provide additional funds for improvements to the water and sewer systems. The debt refunded with the 2016 bonds were originally used for the construction of additions, extensions and improvements of the water and sewer system. The bonds mature serially on December 1 of each year through December 1, 2046 with interest payable semi-annually on June 1 and December 1 at rates ranging from 2% to 4%. In the event of default, the lender has the right to take whatever legal actions necessary to collect the amounts due.

NOTE 6 - LONG-TERM OBLIGATIONS (cont...)

Joint Venture Loan Guarantee – The City has entered into an agreement with the Florida Department of Environmental Protection to guarantee to pay the principal and interest of their proportional share of the State Revolving Fund (SRF) loan funds borrowed by the Polk Regional Water Cooperative to fund the projects of the combined projects implementation agreement. The SRF loan bears interest at 1.89% and principal and interest are due semiannually beginning on August 15, 2027 for a ten-year term to maturity on February 15, 2037. As of September 30, 2024, \$10,412,689 of SRF funds have been drawn by the PRWC. The City's proportionate share of this liability totaled \$800,182 as of September 30, 2024 and has been recorded as a City liability in the business-type/enterprise fund. See Note 15 for more information on the Polk Regional Water Cooperative.

Maturities: Annual requirements to repay all long-term bonds and notes payable as of September 30, 2024, are as follows:

Fiscal Year Ending	Governmental Activities					
	Direct borrowings and direct placements		Other bonds and notes payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,313,666	\$ 1,287,800	\$ 595,000	\$ 45,019	\$ 1,908,666	\$ 1,332,819
2026	1,327,244	1,216,819	255,000	36,519	1,582,244	1,253,338
2027	1,336,894	1,165,863	265,000	31,153	1,601,894	1,197,016
2028	1,387,410	1,113,444	270,000	25,469	1,657,410	1,138,913
2029	1,448,013	1,058,560	280,000	17,000	1,728,013	1,075,560
2030-2034	7,368,557	4,395,834	285,000	5,700	7,653,557	4,401,534
2035-2039	6,860,000	2,837,878	-	-	6,860,000	2,837,878
2040-2044	7,860,000	1,230,775	-	-	7,860,000	1,230,775
2045-2049	2,155,000	237,900	-	-	2,155,000	237,900
2050-2054	470,000	7,050	-	-	470,000	7,050
Unamortized bond premium (discount)	1,978,824	-	28,221	-	2,007,045	-
Total	<u>\$ 33,505,608</u>	<u>\$ 14,551,923</u>	<u>\$ 1,978,221</u>	<u>\$ 160,860</u>	<u>\$ 35,483,829</u>	<u>\$ 14,712,783</u>
Fiscal Year Ending	Business-type Activities					
	Bonds and notes payable		Joint venture loan guarantee		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 1,620,000	\$ 940,906	\$ -	\$ -	\$ 1,620,000	\$ 940,906
2026	1,515,000	874,050	-	-	1,515,000	874,050
2027	1,570,000	824,019	36,522	7,592	1,606,522	831,611
2028	1,600,000	790,338	74,087	14,140	1,674,087	804,478
2029	1,650,000	740,338	75,500	12,728	1,725,500	753,066
2030-2034	9,310,000	2,634,888	399,646	41,492	9,709,646	2,676,380
2035-2039	8,915,000	899,863	214,427	6,141	9,129,427	906,004
2040-2044	1,305,000	241,134	-	-	1,305,000	241,134
2045-2049	885,000	42,109	-	-	885,000	42,109
Unamortized bond premium (discount)	559,995	-	-	-	559,995	-
Total	<u>\$ 28,929,995</u>	<u>\$ 7,987,645</u>	<u>\$ 800,182</u>	<u>\$ 82,093</u>	<u>\$ 29,730,177</u>	<u>\$ 8,069,738</u>

NOTE 6 - LONG-TERM OBLIGATIONS (concluded)

Pledged Revenues:

The City has pledged certain future revenues, net of operation and maintenance expenses, for payment of debt. The following table provides a summary of the pledged revenues for the City's outstanding debt issues for which specific revenues have been pledged:

<u>Pledged Revenue</u>	<u>Revenue Pledged Through</u>	<u>Total Principal and Interest Outstanding</u>	<u>Current Year Principal and Interest Paid</u>	<u>Current Year Net Revenue</u>	<u>Percentage of Net Revenues to Principal and Interest Paid</u>
Water and sewer revenue	12/1/2046	\$ 36,357,645	\$ 2,564,747	\$ 11,650,082	454%

NOTE 7 – SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA)

During the current fiscal year, the City entered into several SBITAs for subscription terms ranging from three to six years that conveys the right to the City to use certain information technology software. An initial subscription liability was recorded in the amount of \$359,853 during the current year. As of September 30, 2024, the subscription liability was \$408,048. The City is required to make annual principal and interest payments on the various SBITAs. The SBITAs did not contain an explicit interest rate so the City used the Federal Reserve bank prime loan rate as an estimate of their incremental borrowing rate at the date each SBITA was signed. The value of the subscription asset and accumulated amortization can be found in Note 5 and activity related to the subscription liability can be found in Note 6.

The future principal and interest lease payments as of September 30, 2024, were as follows:

<u>Fiscal Year Ending</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 122,659	\$ 29,394
2026	125,948	19,341
2027	75,122	10,884
2028	71,236	5,289
2029	13,083	200
Total	<u>\$ 408,048</u>	<u>\$ 65,108</u>

NOTE 8 – PENSION TRUST FUNDS

Plan Descriptions - The City of Auburndale contributes to three single-employer defined benefit pension plans: the General Employees' Pension Trust Fund, the Municipal Police Officers' Pension Trust Fund, and the Municipal Firefighters' Pension Trust Fund. Each plan provides retirement and disability benefits to plan members and beneficiaries. The plans are established by City Ordinance and the benefits and contribution requirements can be amended by the City Commission through ordinance. All three plans are administered by separate boards of trustees who are either appointed by the City Commission or elected by the plan members. It is the City's policy to annually fund the annual required contribution amount for each plan. Contributions are also provided to the Firefighters' and Police Officers' plans by the State of Florida from a tax collected on insurance premiums. Each plan issues a publicly available financial report that includes financial statements and required supplementary information (RSI) for that plan.

NOTE 8 – PENSION TRUST FUNDS (cont...)

Those reports may be obtained by contacting the City of Auburndale Finance Department, P.O. Box 186, Auburndale, FL 33823. It is the policy of the City to fund pension costs for defined benefit plans on an actuarial basis, which includes amortization of prior service costs, and to fund defined contribution plans as pension costs accrue.

In the government-wide and proprietary statement of net position, liabilities are recognized for the City's share of each defined benefit pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's sponsored single employer plans and additions to/deductions from the City's sponsored single employer plans have been determined on the same basis as they are reported by the City's sponsored single employer plans. For this purpose, defined benefit payments (including refund of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Benefits Provided - The City's pension plans provide retirement and disability benefits. Benefits for all members vest after 10 years of service. Retirement benefits for general employee members are calculated at a blended rate of 2.5% for service after October 1, 2003 and 2.75% for service prior to October 1, 2003 of average compensation multiplied by years of creditable service. Normal retirement is the earlier of age 55 with 10 years of service or age 52 with 25 years of service. The Plan is closed for employees hired on or after October 1, 2006. Benefits for police officers are 3.50% and firefighters are 3.75% of average final compensation multiplied by years of creditable service. Normal retirement is the earlier of age 55 with 10 years of service or attainment of 20 years of service for police officers or 25 years of service for firefighters.

Contributions - It is the City's policy to annually fund the actuarially determined required contributions representing the difference between the actuarially determined amount and the contributions of plan members.

	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Fire- Fighters' Pension Trust Fund
Contribution rates:			
City	114.9%	26.3%	34.5%
Plan members	2.0%	5.6%	9.1%
Actuarially determined contribution	\$ 1,237,210	\$ 731,018	\$ 530,230
Contributions made	\$ 1,237,210	\$ 731,018	\$ 540,704

Plan Membership - Participant data for the City pension plans as of the October 1, 2023 actuarial valuation date was as follows:

	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Fire- Fighters' Pension Trust Fund
Inactive plan members or beneficiaries currently receiving benefits	91	30	18
Inactive plan members entitled to but not yet receiving benefits	9	27	9
Active plan members	16	37	22
Total	116	94	49

NOTE 8 – PENSION TRUST FUNDS (cont...)

Net Pension Liability – The City’s net pension liability was measured as of September 30, 2023 for all three pension trust funds. The net pension liability as measured on September 30, 2023 is used for the City’s reporting period ending September 30, 2024. The components of the changes in the net pension liability for all three plans are shown below.

General Employees’ Pension Trust Fund:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
	(a)	(b)	(a)-(b)
Reporting period ending 9/30/2023	\$ 29,006,317	\$ 21,581,302	\$ 7,425,015
Changes for the year:			
Service cost	103,758	-	103,758
Interest	2,045,330	-	2,045,330
Difference between actual and expected experience	(263,895)	-	(263,895)
Contributions - City	-	1,246,906	(1,246,906)
Contributions - employee	-	25,955	(25,955)
Net investment income	-	2,405,805	(2,405,805)
Benefit payments, including refunds of employee contributions	(1,797,261)	(1,797,261)	-
Administrative expense	-	(62,908)	62,908
Net changes	87,932	1,818,497	(1,730,565)
Reporting period ending 9/30/2024	\$ 29,094,249	\$ 23,399,799	\$ 5,694,450

Police Officers’ Pension Trust Fund:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
	(a)	(b)	(a)-(b)
Reporting period ending 9/30/2023	\$ 18,140,835	\$ 14,242,722	\$ 3,898,113
Changes for the year:			
Service cost	426,220	-	426,220
Interest	1,312,333	-	1,312,333
Difference between actual and expected experience	(182,130)	-	(182,130)
Contributions - City	-	500,432	(500,432)
Contributions - State	-	230,737	(230,737)
Contributions - employee	-	143,114	(143,114)
Net investment income	-	1,362,824	(1,362,824)
Benefit payments, including refunds of employee contributions	(931,824)	(931,824)	-
Administrative expense	-	(56,245)	56,245
Net changes	624,599	1,249,038	(624,439)
Reporting period ending 9/30/2024	\$ 18,765,434	\$ 15,491,760	\$ 3,273,674

NOTE 8 – PENSION TRUST FUNDS (cont...)

Firefighters' Pension Trust Fund:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension (Asset) Liability
	(a)	(b)	(a)-(b)
Reporting period ending 9/30/2023	\$ 11,247,715	\$ 8,026,688	\$ 3,221,027
Changes for the year:			
Service cost	229,386	-	229,386
Interest	808,371	-	808,371
Difference between actual and expected experience	87,533	-	87,533
Contributions - City	-	305,471	(305,471)
Contributions - State	-	116,854	(116,854)
Contributions - employee	-	122,005	(122,005)
Net investment income	-	753,463	(753,463)
Benefit payments, including refunds of employee contributions	(654,313)	(654,313)	-
Administrative expense	-	(55,784)	55,784
Net changes	470,977	587,696	(116,719)
Reporting period ending 9/30/2024	\$ 11,718,692	\$ 8,614,384	\$ 3,104,308

Actuarial Assumptions - The actuarial valuation date and significant actuarial assumptions used to measure the total pension liability were as follows:

	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Fire-Fighters' Pension Trust Fund
Actuarial valuation date	October 1, 2022 updated to September 30, 2023	October 1, 2022 updated to September 30, 2023	October 1, 2022 updated to September 30, 2023
Inflation	2.50%	2.50%	2.50%
Projected salary increases	3.5% to 5.0%	Service based	Service based
Investment rate of return	7.25%	7.25%	7.25%
Discount rate	7.25%	7.25%	7.25%
Date of actuarial experience study	August 20, 2014	July 22, 2022	July 22, 2022

Mortality Rates were based on The Society of Actuaries' Retirement Plans Experience Committee (RPEC) Pub-2010 Public Retirement Plans Mortality Tables Report. All rates are projected generationally with Mortality Improvement Scale MP-2018.

NOTE 8 – PENSION TRUST FUNDS (cont...)

Long-term Expected Rate of Return on Pension Plan Investments - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2024, are summarized in the following table:

Asset Class	Long-term Expected Real Rates of Return		
	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Fire-Fighters' Pension Trust Fund
Domestic Equity	7.50%	7.50%	7.50%
International Equity	8.50%	8.50%	8.50%
Fixed Income - Core	2.50%	2.50%	2.50%
Fixed Income - Non-core	2.50%	2.50%	2.50%
Real estate	4.50%	4.50%	4.50%
Alternative	6.03%	6.03%	6.03%
Asset Class	Target Asset Allocations		
	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Fire-Fighters' Pension Trust Fund
Domestic Equity	45.00%	45.00%	45.00%
International Equity	15.00%	15.00%	15.00%
Fixed Income - Core	15.00%	15.00%	15.00%
Fixed Income - Non-core	10.00%	10.00%	10.00%
Real estate	10.00%	10.00%	10.00%
Alternative	5.00%	5.00%	5.00%

Discount Rate – The discount used to measure the total pension liability as of the measurement date was a rate of 7.25% for all three plans. The total pension liability as of the City's reporting date of September 30, 2024 was measured as of September 30, 2023, which is the measurement date for financial reporting purposes. 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 City contributions will be made at rates equal to the actuarially determined contribution rate. Based on those assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate used to measure the total pension liability as of the financial reporting date of September 30, 2024 was 7.25% for the Police Officers' Pension and Firefighters' Pension and 7.15% for the General Employees' Pension.

NOTE 8 – PENSION TRUST FUNDS (cont...)

Pension Expense and Deferred Outflows and Inflows of Resources Related to Pension - For the year ended September 30, 2024, the City recognized total pension expense of \$2,705,270 comprised of a pension expense of \$893,682 for the General Employees' Pension, \$1,054,837 for the Police Officers' Pension and \$756,751 for the Firefighters' Pension. On September 30, 2024, deferred outflows of resources and deferred inflows of resources related to pensions, combined and individually for all three plans, was as follows:

Combined All Pension Trust Funds:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 90,618	\$ 253,367
Change in assumptions	228,343	-
Net difference between projected and actual earnings on Plan investments	3,968,250	-
City contributions subsequent to the measurement date	2,508,931	-
Total	<u>\$ 6,796,142</u>	<u>\$ 253,367</u>

General Employees' Pension Trust Fund:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between projected and actual earnings on Plan investments	\$ 1,546,504	\$ -
City contributions subsequent to the measurement date	1,237,210	-
Total	<u>\$ 2,783,714</u>	<u>\$ -</u>

Police Officers' Pension Trust Fund:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,645	\$ 189,571
Change in assumptions	87,113	-
Net difference between projected and actual earnings on Plan investments	1,519,676	-
City contributions subsequent to the measurement date	731,017	-
Total	<u>\$ 2,340,451</u>	<u>\$ 189,571</u>

NOTE 8 – PENSION TRUST FUNDS (cont...)

Firefighters' Pension Trust Fund:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,973	\$ 63,796
Change in assumptions	141,230	-
Net difference between projected and actual earnings on Plan investments	902,070	-
City contributions subsequent to the measurement date	540,704	-
Total	<u>\$ 1,671,977</u>	<u>\$ 63,796</u>

Amounts reported as deferred outflows of resources related to City contributions subsequent to the measurement date of September 30, 2023 will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Remaining amounts reported as deferred inflows and outflows of resources will be recognized in pension expense in the years and amounts shown below:

Year ended September 30,	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Firefighters' Pension Trust Fund	Total
2025	\$ 351,046	\$ 362,986	\$ 263,950	\$ 977,982
2026	390,540	387,009	361,110	1,138,659
2027	977,409	736,728	477,896	2,192,033
2028	(172,491)	(66,860)	(35,479)	(274,830)
	<u>\$ 1,546,504</u>	<u>\$ 1,419,863</u>	<u>\$ 1,067,477</u>	<u>\$ 4,033,844</u>

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the net pension liability of the City as of the measurement date (September 30, 2023), calculated using the current discount rates discussed above for each plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate used by each plan.

	Current Discount Rate	Net Pension Liability at Measurement Date		
		1% Decrease	Current Discount	1% Increase
General Employees'	7.25%	\$ 8,636,482	\$ 5,694,450	\$ 3,205,130
Police Officers'	7.25%	\$ 5,629,335	\$ 3,273,674	\$ 1,336,533
Firefighters'	7.25%	\$ 4,618,284	\$ 3,104,308	\$ 1,847,971
City's Net Pension Liability		<u>\$ 18,884,101</u>	<u>\$ 12,072,432</u>	<u>\$ 6,389,634</u>

NOTE 8 – PENSION TRUST FUNDS (concluded)

The following presents the net pension liability (asset) of the City as of the financial reporting date (September 30, 2024, calculated using the current discount rates discussed above for each plan, as well as what the City’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate used by each plan.

	Current Discount Rate	Net Pension Liability (Asset) at Financial Reporting Date		
		1% Decrease	Current Discount	1% Increase
General Employees'	7.15%	\$ 4,659,303	\$ 1,724,274	\$ (759,994)
Police Officers'	7.25%	\$ 3,974,304	\$ 1,395,253	\$ (734,593)
Firefighters'	7.25%	\$ 3,295,050	\$ 1,710,277	\$ 395,232
City's Net Pension Liability		<u>\$ 11,928,657</u>	<u>\$ 4,829,804</u>	<u>\$ (1,099,355)</u>
Change in City's net pension liability between measurement date and reporting date				
		<u>\$ (6,955,444)</u>	<u>\$ (7,242,628)</u>	<u>\$ (7,488,989)</u>

The City’s net pension liability decreased by \$7,242,628 between the City’s measurement date of September 30, 2023 and the financial reporting date of September 30, 2024 due mainly to greater than expected returns on plan investments during the year ended September 30, 2024.

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NOTE 9 - OTHER POST EMPLOYMENT BENEFITS PLAN

The City follows GASB Cod. Sec. P52 for certain other postemployment benefits (OPEB) provided by the City.

Plan Description – The City of Auburndale’s Retiree Health Care Plan (OPEB Plan) is a single-employer defined benefit postemployment health care plan that covers eligible retired employees of the City. The OPEB Plan, which is administered by the City, allows employees who retire and meet retirement eligibility required under one of the City’s retirement plans to continue medical and life insurance coverage as a participant in the City’s insurance plans. For purposes of applying GASB Cod. Sec. P52.101, the Plan does not meet the requirements for an other postemployment benefits plan administered through a trust.

Benefits Provided – The City contributes 100% of the active premiums up to age 65 then 100% of the Medicare Advantage premium and health reimbursement account fee for retirees participating in the City’s group insurance plans who were hired prior to October 1, 1996 and for retirees hired after October 1, 1996 who retire with at least 20 years of service. Retirees may elect to opt out of the City’s group health insurance plan if there is no health network available to them or they have alternative health insurance. These retirees who opt out receive a cash reimbursement of \$200 per month instead.

Employees retiring with less than 20 years of service at retirement can continue their coverage and their spouses’ coverage under the City’s group policy at the active employee rates but must pay 100% of the cost of the insurance. A City-provided implicit subsidy for the health plan will still exist for these participants.

Funding Policy – The City has not advance-funded or established a funding methodology for the annual OPEB costs or the OPEB obligation, and the OPEB Plan is financed on a pay-as-you-go basis.

Participant data as of the most recent actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	70
Inactive employees entitled to but not yet receiving benefits	-
Active employees	176
Total	<u>246</u>

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS PLAN (cont...)

Total OPEB liability – The City’s total OPEB liability was measured as of September 30, 2023 and is applicable to the City’s fiscal year ending September 30, 2024.

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

Inflation Rate	2.50%
Salary Increase Rate	Varies by Age/ Years of Service
Discount Rate	4.87%
Initial Trend Rate	7.00%
Ultimate Trend Rate	4.00%
Years to Ultimate	51

Mortality Rates – Active Lives: For female lives (non-special risk), the headcount-weighted PubG-2010 female employee table was used. For male lives, the headcount-weighted PubG-2010 male below-median income employee table, set back one year, was used. For special risk female lives, the headcount-weighted PubS-2010 female employee table, set forward one year, was used. For special risk male lives, the headcount-weighted PubS-2010 male below-median income employee table, set forward one year, was used.

Mortality Rates – Inactive Healthy Lives: For female (non-special risk) lives, the headcount-weighted PubG-2010 female below-median income healthy retiree table was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male below-median income healthy retiree table, set back one year, was used. For special risk female lives, the headcount-weighted PubS-2010 female healthy retiree table, set forward one year, was used. For special risk male lives, the headcount-weighted PubS-2010 male below-median income healthy retiree table, set forward one year, was used.

Mortality Rates – Disabled Lives: For female (non-special risk) lives, the headcount-weighted PubG-2010 female disabled retiree table, set forward three years was used. For male (non-special risk) lives, the headcount-weighted PubG-2010 male disabled retiree table, set forward three years, was used. For special risk female lives, an 80/20 blend between the headcount-weighted PubG-2010 and PubS-2010 female disabled retiree tables were used. For special risk male lives, an 80/20 blend between the headcount-weighted PubG-2010 and PubS-2010 male disabled tables were used.

Discount Rate – Given the City’s decision not to fund the OPEB Plan, all future benefit payments were discounted using a high-quality municipal bond rate of 4.87%. The high-quality municipal bond rate was based on the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 years. Eligible bonds must be rated at least AA by Standard and Poor’s Ratings Services, Aa2 by Moody’s or AA by Fitch. If there are multiple ratings, the lowest rating is used.

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS PLAN (cont...)

Changes in the Total OPEB Liability:

	Total OPEB Liability
Reporting period ending September 30, 2023	\$ 11,396,311
Changes for the year:	
Service cost	559,488
Interest	555,644
Changes of assumptions	(2,044,283)
Differences between expected and actual experience	(246,243)
Benefit payments	(621,421)
Net changes	(1,796,815)
Reporting period ending September 30, 2024	\$ 9,599,496

Sensitivity of the Total OPEB Liability to changes in the discount rate – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (3.87%)	Discount Rate (4.87%)	1% Increase (5.87%)
Total other postemployment benefits liability	\$ 10,821,209	\$ 9,599,496	\$ 8,571,790

Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rates – The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease (3.00% to 6.00%)	Discount Rate (4.00% to 7.00%)	1% Increase (5.00% to 8.00%)
Total other postemployment benefits liability	\$ 8,690,388	\$ 9,599,496	\$ 10,656,272

NOTE 9 - OTHER POST EMPLOYMENT BENEFITS PLAN (concluded)

OPEB expense and deferred outflows and inflows of resources related to OPEB – For the year ended September 30, 2024, the City recognized a negative OPEB expense of (\$215,372). On September 30, 2024, deferred outflows of resources and deferred inflows of resources related to OPEB were as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 1,229,718
Change in assumptions	1,127,771	4,688,456
City contributions subsequent to the measurement date	506,084	-
Total	<u>\$ 1,633,855</u>	<u>\$ 5,918,174</u>

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

Year ending September 30,	Amount
2025	\$ (1,153,309)
2026	(916,905)
2027	(1,350,623)
2028	(987,815)
2029	(381,751)
	<u>\$ (4,790,403)</u>

NOTE 10 – OTHER EMPLOYEE BENEFIT PLANS

Effective October 1, 2006, the City closed its defined benefit general employee pension plan for employees not already participating in that plan and instituted a defined contribution 401(a) money purchase plan for employees hired on or after October 1, 2006, whereby the City contributes 8% of gross pay with the employee contributing 2%. The total cost of this plan to the City was \$447,149 for the year ended September 30, 2024 which included approximately \$74,000 of forfeitures used to offset City cash contributions to the plan.

The City offers its employees a deferred compensation plan created pursuant to Internal Revenue Code Section 457. The Plan is available to all employees and permits them to defer a portion of their salary until future years. The assets are held in trust for each participant who is free to direct their investments to a variety of mutual fund offerings. Participation in the plan is optional.

The City has a cafeteria and flexpay plan whereby employees can elect to receive a cash subsidy or use it to pay for dependent health, dental and life insurance premiums with before tax dollars. The City's subsidy is fixed at \$97.60 per month per employee and the total cost for the year was approximately \$210,000.

NOTE 11 – INTERFUND TRANSACTIONS

The composition of interfund transfers for the year ended September 30, 2024, is as follows:

Receiving Fund	Paying Fund	Amount
General Fund	Enterprise Fund	\$ 4,004,705
General Fund	Community Redevelopment Special Revenue Fund	3,192,475
		<u>\$ 7,197,180</u>

The transfer from the enterprise fund to the general fund is an annual budgetary subsidy.

During the fiscal year ending September 30, 2024, the community redevelopment agency special revenue fund purchased land from the City’s general fund for \$3,500,000. According to GASB Cod. Sec. S20, when capital assets are transferred within the same financial reporting entity, the receiving entity should record the assets at the transferor’s carrying amount. Since GASB Cod. Sec. 1400 requires capital assets to be reported at historical cost, this intra-entity transfer does not alter the original cost. Therefore, the recipient should recognize the asset at its historical cost and also report the related accumulated depreciation. The carrying value of the assets sold were \$307,525 at the time of the sale and the remainder of the sale price is recognized as a transfer to the general fund.

NOTE 12 - MAJOR CUSTOMERS

In the City’s enterprise fund (business-type activities), approximately 13% of the City’s water and sewer charges for services revenue are represented by sales to one industrial customer. With respect to the ad-valorem (property taxes) taxes the City’s largest taxpayer represents 9% of its ad-valorem taxes and the second largest represents 8%.

NOTE 13 - RISK MANAGEMENT AND LITIGATION

During the ordinary course of its operations, the City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions, injuries to employees, and natural disasters. The City maintains commercial insurance coverage in amounts management feels is adequate to protect and safeguard the assets of the City. In the opinion of the City’s management and legal counsel, legal claims and litigation are not anticipated to have material impact on the financial position of the City. The City’s workers compensation coverage is provided through a non-assessable program; in the event the insurance company were declared insolvent, the City would only be responsible for its own claims and not the claims of other insured entities under the program.

The City is contingently liable with respect to lawsuits and other claims which arise in the ordinary course of carrying out its public service. Management believes that any losses not covered by insurance which may ultimately be incurred as a result of the suits and claims will not be material, with the exception of attorney’s fees which are not determinable.

The City has elected to reimburse the State directly for its unemployment claims rather than participate in the State insurance fund for this purpose. As a result, the cost for unemployment claims is deducted when paid. Such costs have been insignificant in the past and no provision for potential claims has been made in the financial statements.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Grants - The City participates in several programs that are fully or partially funded by grants received from Federal, state, or county agency sources. Expenditures financed by grants are subject to audit by the appropriate grantor government/agency. If expenditures are disallowed due to non-compliance with grant program regulations, the City may be required to reimburse the grantor government/agency. As of September 30, 2024, the City believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the City.

Construction Commitments - The City has construction commitments of approximately \$15,015,580 as of September 30, 2024 related to water and sewer improvements in the enterprise fund (\$1,687,096) and facility construction in the general fund (\$13,328,484).

NOTE 15 – JOINT VENTURE

Background - The Polk Regional Water Cooperative (PRWC) was created on April 1, 2016 by a interlocal agreement between the City of Auburndale, City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, City of Frostproof, City of Haines City, City of Lake Alfred, City of Lakeland, City of Lake Wales, City of Mulberry, Polk City, City of Winter Haven, Town of Dundee, Town of Lake Hamilton and Polk County in accordance with Chapters 163 and 373 of the Florida Statutes. These local government units are collectively considered the Member Governments. The PRWC is a separate legal entity organized under the laws of the State of Florida, and the Member Governments have no equity ownership in the PRWC.

The PRWC is devoted to encouraging the development of fully integrated, robust public water supply systems comprised of diverse sources managed in a manner that take full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant systems which maximize the use of alternative water supplies to the greatest extent practicable. The PRWC will evaluate, plan and implement water projects and coordinate partnerships with other water users.

Membership fees - The terms of the interlocal agreement require each Member Government to contribute their proportionate share of the PRWC's annual working capital needs which are established annually by a resolution of the PRWC's Board of Directors. For the year ended September 30, 2024, the total annual working capital needs of the PRWC was \$260,078 of which the City's proportionate share was \$20,566.

Combined projects background - The Member Governments, except for the City of Frostproof, entered into a combined projects implementation agreement on March 16, 2017. This agreement established three combined projects to be pursued by the PRWC with an original total estimated cost of \$23,000,000. The Southwest Florida Water Management District (SWFWMD) is funding 50% of the total estimated cost and the remainder is funded by the Member Governments based upon their average water use in comparison to the total average water use by all Member Governments.

Combined projects funding –

Project Planning - The PRWC has entered into a state revolving fund (SRF) loan agreement with the State of Florida Department of Environmental Protection (FDEP) to borrow up to \$13,624,440, as amended, to assist Member Governments in meeting their local share of the total estimated combined project planning costs. Member Governments can elect to fund their local share of the project costs from their existing funds or participate in the SRF loan agreement. The City has elected to participate in the SRF loan agreement to fund their estimated local share (\$1,046,996 as amended) of the project costs and as a result have entered into an agreement with FDEP to guarantee the City's payment of their share of the SRF loan debt service requirements.

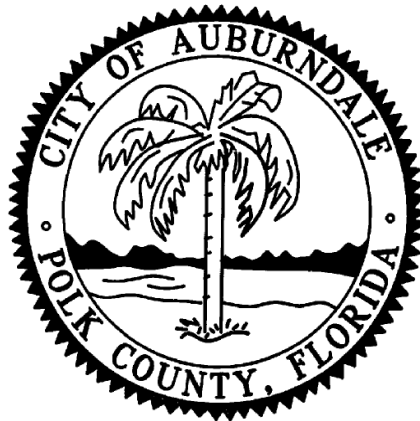
NOTE 15 – JOINT VENTURE (concluded)

The SRF loan bears interest at 1.89% and principal and interest are due semiannually beginning on August 15, 2027 for a ten-year term to maturity on February 15, 2037. This loan is to fund planning, design and test well construction for the combined projects.

As of September 30, 2024, \$10,412,689 of SRF funds have been drawn by the PRWC. The City's proportionate share of this liability totaled \$800,182 as of September 30, 2024 and has been recorded as a City liability in the business-type/enterprise fund.

Project Construction - During 2022, the City agreed to be a project participant in the following Projects, the Southeast Wellfield, a new lower Floridan aquifer public supply wellfield located in southeast Polk County and the West Polk Lower Aquifer Wellfield, a new lower Floridan aquifer public water supply wellfield located in west Polk County, Florida. Project participants agree to receive potable water from the Projects once completed. The Projects are being funded through the PRWC using a combination of grants and loans and the ultimate debt service and operating costs of the project will be passed through to the Project participants through the water service charges which are determined each year by the PRWC board of directors. The City water charges to the PRWC for the fiscal year ending September 30, 2024 were \$245,400.

Contact - Complete financial statements of the PRWC may be obtained from the PRWC's Executive Director at 330 W. Church Street, P.O. Box 9005, Drawer CA01, Bartow, FL 33831-9005.



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Required Supplementary Information

CITY OF AUBURNDALE, FLORIDA
Budgetary Comparison Schedule – General Fund
For the year ended September 30, 2024

	Budgeted Amounts		Actual Amounts	
	Original	Final	(budgetary basis)	Variance with Final Budget
RESOURCES:				
Taxes	\$ 15,139,674	\$ 16,143,674	\$ 16,162,105	18,431
Licenses and permits	795,000	993,000	962,781	(30,219)
Intergovernmental	3,662,867	4,379,867	4,433,634	53,767
Charges for services	3,613,561	4,402,561	4,514,480	111,919
Fines and forfeitures	119,000	198,000	195,007	(2,993)
Investment income	500,000	1,633,000	1,700,787	67,787
Other	132,400	186,400	236,791	50,391
Other sources - transfers in	4,004,705	7,504,705	7,504,705	-
Other sources - insurance recoveries	60,000	60,000	28,570	(31,430)
Other sources - loan proceeds	3,725,000	3,725,000	18,994,629	15,269,629
Other sources - sale of assets	20,000	20,000	88,184	68,184
Prior year surplus appropriated	790,211	1,058,211	1,058,211	-
Total resources	32,562,418	40,304,418	55,879,884	15,575,466
CHARGES TO APPROPRIATIONS:				
General government	5,718,684	5,877,684	5,946,804	(69,120)
Public safety	8,227,826	8,676,826	8,808,642	(131,816)
Physical environment	2,462,830	2,958,830	2,838,614	120,216
Transportation	871,295	916,295	856,744	59,551
Culture/recreation	3,089,406	3,794,406	3,917,694	(123,288)
Capital outlay	8,773,031	9,850,031	8,965,481	884,550
Debt service	2,057,953	2,090,953	2,266,118	(175,165)
Contingency	141,393	393	-	393
Budgeted carryover reserve	1,220,000	6,139,000	6,139,000	-
Total charges to appropriations	32,562,418	40,304,418	39,739,097	565,321
EXCESS (DEFICIENCY) OF RESOURCES OVER				
(UNDER) CHARGES TO APPROPRIATIONS	\$ -	\$ -	\$ 16,140,787	\$ 16,140,787

CITY OF AUBURNDALE, FLORIDA**Notes to the Budgetary Comparison Schedule – General Fund****For the year ended September 30, 2024**

Explanation of differences between budgetary and GAAP basis revenues and expenditures**Sources/inflows of resources**

Total revenue from the budgetary comparison schedule	\$ 55,879,884
--	---------------

Differences - budget to GAAP:

Prior year surplus appropriated as a budgetary resource	(1,058,211)
---	-------------

The following transactions are GAAP revenues but not budgeted as an inflow of budgetary resources:

Subscription-based IT arrangements entered into during the year.	359,853
--	---------

Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds	<u>\$ 55,181,526</u>
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Uses/outflows of resources

Total charges to appropriations from the budgetary comparison schedule	\$ 39,739,097
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Differences - budget to GAAP:

Year-end surplus of revenues over charges to appropriations are budgetary outflows but are not reported as expenditures for financial reporting purposes.	(6,139,000)
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The following transactions are GAAP expenditures but not budgeted as an appropriation outflow of budgetary resources:

Subscription-based IT arrangements entered into during the year.	359,853
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Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - general fund:	<u>\$ 33,959,950</u>
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CITY OF AUBURNDALE, FLORIDA
Budgetary Comparison Schedule – Community Redevelopment Agency
For the year ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (budgetary basis)	
				Final Budget
RESOURCES:				
Taxes	\$ 1,909,511	\$ 2,145,574	\$ 2,145,574	\$ -
Other	100	14,596	14,596	-
Prior year surplus appropriated	2,500,000	2,084,783	2,084,783	-
Total resources	4,409,611	4,244,953	4,244,953	-
CHARGES TO APPROPRIATIONS:				
Economic environment	263,611	285,808	285,808	-
Capital outlay	4,146,000	3,959,145	3,959,145	-
Total charges to appropriations	4,409,611	4,244,953	4,244,953	-
EXCESS (DEFICIENCY) OF RESOURCES OVER				
(UNDER) CHARGES TO APPROPRIATIONS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Explanation of differences between budgetary and GAAP basis revenues and expenditures
Sources/inflows of resources

Total resources from the budgetary comparison schedule	\$ 4,244,953
Differences - budget to GAAP:	
Prior year surplus reappropriated as a budgetary resource	<u>(2,084,783)</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - community redevelopment agency:	<u>\$ 2,160,170</u>

Uses/outflows of resources

Total charges to appropriations from the budgetary comparison schedule	\$ 4,244,953
Differences - budget to GAAP:	
Interfund capital asset purchase budgeted as a capital outlay appropriation but reported as a interfund transfer for the amount in excess of the existing book value of the assets purchased from the general fund.	<u>(3,192,475)</u>
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balances - community redevelopment agency:	<u>\$ 1,052,478</u>

CITY OF AUBURNDALE, FLORIDA**Budgetary Comparison Schedule – Impact Fee Special Revenue Fund**

For the year ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (budgetary basis)	
RESOURCES:				
Licenses and permits	\$ 894,825	\$ 891,825	\$ 845,589	\$ (46,236)
Investment income	10,100	10,100	16,925	6,825
Prior year surplus appropriated	404,676	729,000	729,000	-
Total resources	1,309,601	1,630,925	1,591,514	(39,411)
CHARGES TO APPROPRIATIONS:				
Capital outlay	581,276	581,276	302,518	278,758
Budgeted carryover reserve	728,325	1,049,649	1,049,649	-
Total charges to appropriations	1,309,601	1,630,925	1,352,167	278,758
EXCESS (DEFICIENCY) OF RESOURCES OVER (UNDER) CHARGES TO APPROPRIATIONS	\$ -	\$ -	\$ 239,347	\$ 239,347

Explanation of differences between budgetary and GAAP basis revenues and expenditures**Sources/inflows of resources**

Total resources from the budgetary comparison schedule	\$ 1,591,514
Differences - budget to GAAP:	
Prior year surplus reappropriated as a budgetary resource	(729,000)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - impact fee special revenue fund:	\$ 862,514

Uses/outflows of resources

Total charges to appropriations from the budgetary comparison schedule	\$ 1,352,167
Differences - budget to GAAP:	
Year-end surplus of resources over charges to appropriations are budgetary outflows but are not reported as expenditures for financial reporting purposes.	(1,049,649)
Total expenditures and other financing uses as reported on the statement of revenues, expenditures and changes in fund balances - impact fee special revenue fund:	\$ 302,518

CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in Net Pension Liability and Related Ratios - General Employees' Pension Trust Fund

City reporting period date	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Measurement date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Total pension liability					
Service cost	\$ 82,254	\$ 103,758	\$ 128,798	\$ 141,402	\$ 166,571
Interest	2,035,807	2,045,330	1,983,224	1,998,938	2,001,989
Change in assumptions	267,103	-	-	649,657	(395,826)
Difference between expected and actual experience	(90,973)	(263,895)	563,430	(344,594)	(43,999)
Benefit payments, including refunds of of employee contributions	(2,192,790)	(1,797,261)	(1,790,307)	(1,670,665)	(1,817,840)
Employee buy-back	-	-	-	-	-
Net change in total pension liability	101,401	87,932	885,145	774,738	(89,105)
Total pension liability, beginning	29,094,249	29,006,317	28,121,172	27,346,434	27,435,539
Total pension liability, ending (a)	<u>\$ 29,195,650</u>	<u>\$ 29,094,249</u>	<u>\$ 29,006,317</u>	<u>\$ 28,121,172</u>	<u>\$ 27,346,434</u>
Plan fiduciary net position					
Contributions - City	\$ 1,237,210	\$ 1,246,906	\$ 1,226,881	\$ 1,347,267	\$ 1,433,540
Contributions - Employee	21,529	25,955	28,791	36,963	40,894
Net investment income (loss)	5,071,931	2,405,805	(3,881,838)	4,560,418	1,724,037
Benefit payments, including refunds Of employee contributions	(2,192,794)	(1,797,261)	(1,790,306)	(1,670,666)	(1,817,840)
Administrative expenses	(66,299)	(62,908)	(60,612)	(80,610)	(81,541)
Net change in plan fiduciary net position	4,071,577	1,818,497	(4,477,084)	4,193,372	1,299,090
Plan fiduciary net position, beginning	23,399,799	21,581,302	26,058,386	21,865,014	20,565,924
Plan fiduciary net position, ending (b)	<u>\$ 27,471,376</u>	<u>\$ 23,399,799</u>	<u>\$ 21,581,302</u>	<u>\$ 26,058,386</u>	<u>\$ 21,865,014</u>
Net pension liability (asset) (a)-(b)	<u>\$ 1,724,274</u>	<u>\$ 5,694,450</u>	<u>\$ 7,425,015</u>	<u>\$ 2,062,786</u>	<u>\$ 5,481,420</u>
Plan fiduciary net position as a percentage of total pension liability	94.09%	80.43%	74.40%	92.66%	79.96%
Covered payroll	1,076,265	1,297,742	1,439,547	1,848,125	2,044,692
Net pension liability as a percentage of covered payroll	160%	439%	516%	112%	268%

Continued...

CITY OF AUBURNDALE, FLORIDA
**Schedule of Changes in Net Pension Liability and Related Ratios - General Employees' Pension Trust Fund
(concluded)**

City reporting period date	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Measurement date	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total pension liability					
Service cost	\$ 177,557	\$ 185,667	\$ 210,799	\$ 238,594	\$ 264,889
Interest	1,944,432	1,892,510	1,858,551	1,608,169	1,581,148
Change in assumptions	-	-	-	2,541,856	-
Difference between expected and actual experience	436,845	304,208	15,756	508,735	-
Benefit payments, including refunds of of employee contributions	(1,742,995)	(1,620,974)	(1,613,902)	(1,448,376)	(1,505,997)
Employee buy-back	-	-	10,258	-	17,731
Net change in total pension liability	815,839	761,411	481,462	3,448,978	357,771
Total pension liability, beginning	26,619,700	25,858,289	25,376,827	21,927,849	21,570,078
Total pension liability, ending (a)	<u>\$ 27,435,539</u>	<u>\$ 26,619,700</u>	<u>\$ 25,858,289</u>	<u>\$ 25,376,827</u>	<u>\$ 21,927,849</u>
Plan fiduciary net position					
Contributions - City	\$ 1,681,890	\$ 1,505,874	1,272,484	1,226,212	1,211,447
Contributions - Employee	43,981	45,600	57,581	51,856	72,890
Net investment income (loss)	674,844	1,442,390	1,954,145	1,375,125	(163,438)
Benefit payments, including refunds Of employee contributions	(1,742,995)	(1,620,974)	(1,613,901)	(1,448,376)	(1,505,997)
Administrative expenses	(42,122)	(38,278)	(50,958)	(31,618)	(35,303)
Net change in plan fiduciary net position	615,598	1,334,612	1,619,351	1,173,199	(420,401)
Plan fiduciary net position, beginning	19,950,326	18,615,714	16,996,363	15,823,164	16,243,565
Plan fiduciary net position, ending (b)	<u>\$ 20,565,924</u>	<u>\$ 19,950,326</u>	<u>\$ 18,615,714</u>	<u>\$ 16,996,363</u>	<u>\$ 15,823,164</u>
Net pension liability (asset) (a)-(b)	<u>\$ 6,869,615</u>	<u>\$ 6,669,374</u>	<u>\$ 7,242,575</u>	<u>\$ 8,380,464</u>	<u>\$ 6,104,685</u>
Plan fiduciary net position as a percentage of total pension liability	74.96%	74.95%	71.99%	66.98%	72.16%
Covered payroll	2,204,313	2,274,734	2,366,172	2,592,799	2,781,826
Net pension liability as a percentage of covered payroll	312%	293%	306%	323%	219%

CITY OF AUBURNDALE, FLORIDA

Notes to The Schedule of Changes in Net Pension Liability and Related Ratios - General Employees' Pension Trust Fund

Changes of Assumptions:

For measurement date September 30, 2021:

- The assumed investment rate of return was lowered from 7.25% to 7.15%.

For measurement date September 30, 2021:

- The assumed investment rate of return was lowered from 7.50% to 7.25%.

For measurement date September 30, 2020:

- The assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date September 30, 2016:

- The assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System.
- The assumed end age for benefit payments paid to Members while employed was increased from age 55 to 59.
- All existing unfunded actuarial accrued liability bases were eliminated, and a new "fresh start" base was established. This will be amortized over 11 years
- The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

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CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in Net Pension Liability and Related Ratios - Police Officers' Pension Trust Fund

City reporting period date	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Measurement date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Total pension liability					
Service cost	\$ 488,234	\$ 426,220	\$ 429,198	\$ 473,059	\$ 451,284
Interest	1,363,402	1,312,333	1,285,733	1,222,003	1,151,997
Difference between expected and actual experience	660,068	(182,130)	(158,915)	10,579	53,125
Change of assumptions	-	-	261,338	-	(11,347)
Benefit payments, including refunds of employee contributions	(896,238)	(931,824)	(780,865)	(843,225)	(623,615)
Net change in total pension liability	1,615,466	624,599	1,036,489	862,416	1,021,444
Total pension liability, beginning	18,765,434	18,140,835	17,104,346	16,241,930	15,220,486
Total pension liability, ending (a)	<u>\$ 20,380,900</u>	<u>\$ 18,765,434</u>	<u>\$ 18,140,835</u>	<u>\$ 17,104,346</u>	<u>\$ 16,241,930</u>
Plan fiduciary net position					
Contributions - City	\$ 449,760	\$ 500,432	\$ 447,596	\$ 485,913	\$ 483,764
Contributions - State of Florida	281,258	230,737	198,534	176,628	172,422
Contributions - Employee	155,654	143,114	123,085	120,010	117,777
Net investment income (loss)	3,561,359	1,362,824	(2,953,049)	2,835,405	1,293,918
Benefit payments, including refunds of employee contributions	(896,238)	(931,824)	(780,864)	(847,634)	(629,869)
Administrative expenses	(57,906)	(56,245)	(62,352)	(50,261)	(42,181)
Net change in plan fiduciary net position	3,493,887	1,249,038	(3,027,050)	2,720,061	1,395,831
Plan fiduciary net position, beginning	15,491,760	14,242,722	17,269,772	14,549,711	13,153,880
Plan fiduciary net position, ending (b)	<u>\$ 18,985,647</u>	<u>\$ 15,491,760</u>	<u>\$ 14,242,722</u>	<u>\$ 17,269,772</u>	<u>\$ 14,549,711</u>
Net pension liability (asset) (a)-(b)	<u>\$ 1,395,253</u>	<u>\$ 3,273,674</u>	<u>\$ 3,898,113</u>	<u>\$ (165,426)</u>	<u>\$ 1,692,219</u>
Plan fiduciary net position as a percentage of total pension liability	93.15%	82.55%	78.51%	100.97%	89.58%
Covered payroll	\$ 2,779,514	\$ 2,555,611	\$ 2,197,631	\$ 2,143,026	\$ 2,103,159
Net pension liability (asset) as a percentage of covered payroll	50.20%	128.10%	177.38%	-7.72%	80.46%

Continued...

CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in Net Pension Liability and Related Ratios - Police Officers' Pension Trust Fund (Concluded)

City reporting period date	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Measurement date	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total pension liability					
Service cost	\$ 435,939	\$ 448,817	\$ 409,945	\$ 373,191	\$ 351,180
Interest	1,122,282	1,089,209	1,036,613	957,531	907,055
Change in excess State money	-	-	-	(74,166)	4,550
Change in benefit terms	-	-	-	-	16,945
Difference between expected and actual experience	(386,108)	(248,431)	106,873	118,563	82,678
Change of assumptions	-	-	154,118	184,472	-
Benefit payments, including refunds of employee contributions	(958,896)	(712,580)	(485,995)	(814,201)	(609,037)
Net change in total pension liability	213,217	577,015	1,221,554	745,390	753,371
Total pension liability, beginning	15,007,269	14,430,254	13,208,700	12,463,310	11,709,939
Total pension liability, ending (a)	<u>\$ 15,220,486</u>	<u>\$ 15,007,269</u>	<u>\$ 14,430,254</u>	<u>\$ 13,208,700</u>	<u>\$ 12,463,310</u>
Plan fiduciary net position					
Contributions - City	\$ 466,685	\$ 497,552	\$ 458,328	\$ 392,854	\$ 438,270
Contributions - State of Florida	163,299	141,490	130,498	189,955	117,600
Contributions - Employee	108,533	99,931	97,557	93,249	91,074
Net investment income (loss)	519,046	957,563	1,353,753	707,436	(37,482)
Benefit payments, including refunds of employee contributions	(954,845)	(705,967)	(485,995)	(814,201)	(609,037)
Administrative expenses	(53,400)	(47,583)	(52,823)	(44,593)	(41,681)
Net change in plan fiduciary net position	249,318	942,986	1,501,318	524,700	(41,256)
Plan fiduciary net position, beginning	12,904,562	11,961,576	10,460,258	9,935,558	9,976,814
Plan fiduciary net position, ending (b)	<u>\$ 13,153,880</u>	<u>\$ 12,904,562</u>	<u>\$ 11,961,576</u>	<u>\$ 10,460,258</u>	<u>\$ 9,935,558</u>
Net pension liability (asset) (a)-(b)	<u>\$ 2,066,606</u>	<u>\$ 2,102,707</u>	<u>\$ 2,468,678</u>	<u>\$ 2,748,442</u>	<u>\$ 2,527,752</u>
Plan fiduciary net position as a percentage of total pension liability	86.42%	85.99%	82.89%	79.19%	79.72%
Covered payroll	\$ 1,938,094	\$ 1,785,032	\$ 1,742,088	\$ 1,665,166	\$ 1,626,310
Net pension liability as a percentage of covered payroll	106.63%	117.80%	141.71%	165.06%	155.43%

CITY OF AUBURNDALE, FLORIDA**Notes to The Schedule of Changes in Net Pension Liability and Related Ratios - Police Officers' Pension Trust Fund**

Changes of benefit terms:

For measurement date September 30, 2016:

- The City and members have mutually consented to allow the City to utilize all of the excess state monies to help pay down the unfunded actuarial liability and to use all future state money to offset their funding requirements.
- Eliminate "imputing" of service for vesting and early retirement for newly hired Police Officers.
- Added provisions for a Partial Lump Sum Optional benefit at retirement.

For measurement date September 30, 2015:

- The supplemental benefit was increased beginning October 1, 2015 from \$19.35 to \$20.00 per month for each year of credited service.

Changes of Assumptions:

For measurement date September 30, 2022:

- The following assumption changes were approved by the Board of Trustees based upon the July 22, 2022 actuarial experience study:
 - The investment return assumption was reduced from 7.50% to 7.25% per year, net of investment related expenses.
 - Salary increases assumption was changed by increasing rate changes prior to completion of 2 years of service and reducing the rate changes for those with 12 or more years of service.
 - Normal retirement rates for members with 25 years of service were increased.
 - Expected disability rates were doubled from the existing assumptions.
 - Member withdrawal rates for members with less than 3 years of service were increased.

For measurement date September 30, 2020:

- The assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics.

For measurement date September 30, 2017:

- The assumed rates of morality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report.
- Reduce the investment return assumption from 7.75% to 7.5% per year, net of investment related expenses.
- Change the assumed rate of individual salary increases from a flat 5.75% per year to an assumption of 8.0% during the first year of employment and 4.75% per year after that.
- Change the expected rates of retirement as outlined in the "Actuarial Assumptions and Methods" section of the 10/1/2017 valuation report.
- Change the expected rates of non-retirement terminations from an age-based table to an assumption of 8.5% per year during the first 7 years and 0.0% for years 8 and 9 and 4% beginning at 10 years of employment.

CITY OF AUBURNDALE, FLORIDA

Notes to The Schedule of Changes in Net Pension Liability and Related Ratios - Police Officers' Pension Trust Fund (concluded)

For measurement date September 30, 2016:

- The assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System.
- The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

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CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in Net Pension Liability and Related Ratios - Firefighters' Pension Trust Fund

City reporting period date	9/30/2025	9/30/2024	9/30/2023	9/30/2022	9/30/2021
Measurement date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020
Total pension liability					
Service cost	\$ 276,181	\$ 229,386	\$ 247,727	\$ 225,636	\$ 216,727
Interest	846,460	808,371	789,587	782,967	750,855
Change in benefit terms	-	-	-	334	37,737
Difference between expected and actual experience	73,553	87,533	44,648	(255,184)	323,366
Change of assumptions	-	-	282,460	-	(154,022)
Benefit payments, including refunds of employee contributions	(639,110)	(654,313)	(793,601)	(580,906)	(855,113)
Net change in total pension liability	557,084	470,977	570,821	172,847	319,550
Total pension liability, beginning	11,718,692	11,247,715	10,676,894	10,504,047	10,184,497
Total pension liability, ending (a)	<u>\$ 12,275,776</u>	<u>\$ 11,718,692</u>	<u>\$ 11,247,715</u>	<u>\$ 10,676,894</u>	<u>\$ 10,504,047</u>
Plan fiduciary net position					
Contributions - City	\$ 391,129	\$ 305,471	\$ 360,761	\$ 413,969	\$ 396,388
Contributions - State of Florida	149,575	116,854	119,608	113,842	107,595
Contributions - Employee	142,754	122,005	109,284	106,029	101,917
Net investment income (loss)	1,962,524	753,463	(1,716,607)	1,621,849	750,447
Benefit payments, including refunds of employee contributions	(639,110)	(654,313)	(793,600)	(580,906)	(853,824)
Administrative expenses	(55,757)	(55,784)	(62,973)	(48,619)	(45,153)
Net change in plan fiduciary net position	1,951,115	587,696	(1,983,527)	1,626,164	457,370
Plan fiduciary net position, beginning	8,614,384	8,026,688	10,010,215	8,384,051	7,926,681
Plan fiduciary net position, ending (b)	<u>10,565,499</u>	<u>8,614,384</u>	<u>8,026,688</u>	<u>10,010,215</u>	<u>8,384,051</u>
Net pension liability (asset) (a)-(b)	<u>\$ 1,710,277</u>	<u>\$ 3,104,308</u>	<u>\$ 3,221,027</u>	<u>\$ 666,679</u>	<u>\$ 2,119,996</u>
Plan fiduciary net position as a percentage of total pension liability	86.07%	73.51%	71.36%	93.76%	79.82%
Covered payroll	\$ 1,568,726	\$ 1,340,714	\$ 1,200,923	\$ 1,165,145	\$ 1,119,962
Net pension liability as a percentage of covered payroll	109.02%	231.54%	268.21%	57.22%	189.29%

Continued...

CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in Net Pension Liability and Related Ratios - Firefighters' Pension Trust Fund (Concluded)

City reporting period date	9/30/2020	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Measurement date	9/30/2019	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total pension liability					
Service cost	\$ 203,030	\$ 208,114	\$ 191,780	\$ 183,379	\$ 186,947
Interest	730,035	716,994	691,907	660,928	625,808
Change in excess State money	-	-	-	(43,172)	5,219
Change in benefit terms	(33,320)	(11,615)	-	93,665	194,426
Difference between expected and actual experience	(18,732)	(98,515)	(53,800)	(263,873)	81,662
Change of assumptions	-	-	395,976	213,476	-
Contributions - buyback of service	-	33,645	-	-	-
Benefit payments, including refunds of employee contributions	(521,211)	(774,695)	(422,298)	(382,852)	(679,857)
Net change in total pension liability	359,802	73,928	803,565	461,551	414,205
Total pension liability, beginning	9,824,695	9,750,767	8,947,202	8,485,651	8,071,446
Total pension liability, ending (a)	<u>\$ 10,184,497</u>	<u>\$ 9,824,695</u>	<u>\$ 9,750,767</u>	<u>\$ 8,947,202</u>	<u>\$ 8,485,651</u>
Plan fiduciary net position					
Contributions - City	\$ 381,560	\$ 357,700	\$ 272,798	\$ 230,377	\$ 287,970
Contributions - State of Florida	100,845	105,668	127,367	127,608	112,882
Contributions - Employee	99,543	125,130	85,805	70,654	54,857
Net investment income (loss)	297,238	547,766	800,753	426,495	(23,205)
Benefit payments, including refunds of employee contributions	(526,992)	(770,203)	(422,298)	(382,852)	(679,857)
Administrative expenses	(56,279)	(57,678)	(48,837)	(56,548)	(45,619)
Net change in plan fiduciary net position	295,915	308,383	815,588	415,734	(292,972)
Plan fiduciary net position, beginning	7,630,766	7,322,383	6,506,795	6,091,061	6,384,033
Plan fiduciary net position, ending (b)	<u>\$ 7,926,681</u>	<u>\$ 7,630,766</u>	<u>\$ 7,322,383</u>	<u>\$ 6,506,795</u>	<u>\$ 6,091,061</u>
Net pension liability (asset) (a)-(b)	<u>\$ 2,257,816</u>	<u>\$ 2,193,929</u>	<u>\$ 2,428,384</u>	<u>\$ 2,440,407</u>	<u>\$ 2,394,590</u>
Plan fiduciary net position as a percentage of total pension liability	77.83%	77.67%	75.10%	72.72%	71.78%
Covered payroll	\$ 1,093,883	\$ 1,005,135	\$ 943,067	\$ 834,158	\$ 951,460
Net pension liability as a percentage of covered payroll	206.40%	218.27%	257.50%	292.56%	251.68%

CITY OF AUBURNDALE, FLORIDA**Notes to the Schedule of Changes in Net Pension Liability and Related Ratios - Firefighters' Pension Trust Fund*****Changes of benefit terms:***

For measurement date September 30, 2019

- As required by Chapter 2019-21, Laws of Florida, granting certain disability benefits to firefighters participating in an employer-sponsored retirement plan. Effective July 1, 2019, the retirement plan must consider the firefighter totally and permanently disabled in the line of duty if he or she meets the retirement plan's definition of totally and permanently disabled due to the diagnosis of cancer or circumstances that arise out of the treatment of cancer.

For measurement date September 30, 2016:

- The City and members have mutually consented to allow the City to utilize all of the excess state monies to help pay down the unfunded actuarial liability and to use all future state money to offset their funding requirements.
- Eliminate "imputing" of service for vesting and early retirement for newly hired firefighters.

For measurement date September 30, 2015:

- The total pension liability was calculated using an assumed increase in the benefit accrual rate to 3.75% of average final compensation for all years of service and an increase in the member contribution rate to 9.1% of salary.

Change in supplemental benefit:

Effective date: October 1,	Supplemental Benefit per Month for Each year of Credited Service	
	From	To
2021	\$21.96	\$22.00
2020	\$17.89	\$21.96
2019	\$20.80	\$17.89
2018	\$22.00	\$20.80
2016	\$21.49	\$22.00
2015	\$16.73	\$21.49

Changes of Assumptions:

For measurement date September 30, 2022:

- The following assumption changes were approved by the Board of Trustees based upon the July 22, 2022 actuarial experience study:
 - The investment return assumption was reduced from 7.50% to 7.25% per year, net of investment related expenses.
 - Salary increases assumption was changed by increasing rate changes prior to completion of 2 years of service and reducing the rate changes for those with 12 or more years of service.
 - Normal retirement rates for members with 25 years of service were increased.
 - Expected disability rates were doubled from the existing assumptions.
 - Member withdrawal rates for members with less than 3 years of service were increased.

For measurement date September 30, 2020:

- The assumed rates of mortality were changed to the rates used in Milliman's July 1, 2019 FRS Valuation report for non-special risk employees, with appropriate adjustments made based on plan demographics.

CITY OF AUBURNDALE, FLORIDA**Notes to the Schedule of Changes in Net Pension Liability and Related Ratios - Firefighters' Pension Trust Fund**

For measurement date September 30, 2017:

- The assumed rates of mortality have been changed from those in the July 1, 2015 FRS valuation report to those used in the July 1, 2016 FRS valuation report.
- Reduce the investment return assumption from 7.75% to 7.5% per year, net of investment related expenses.
- Change the assumed rate of individual salary increases from a flat 5.75% per year to an assumption of 12.0% during the first year of employment and 5.0% per year after that.
- Change the expected rates of retirement as outlined in the "Actuarial Assumptions and Methods" section of the 10/1/2017 valuation report.
- Change the expected rates of non-retirement terminations from an age-based table to an assumption of 15.0% per year during the first 7 years and 0.0% for years 8 and 9, 15% in year 10, and 1.0% beginning at 11 years of employment.

For measurement date September 30, 2016:

- The assumed rates of mortality were changed from the RP-2000 Combined Healthy Tables to the mortality tables for special risk employees used by the Florida Retirement System.
- The inflation assumption rate was lowered from 3.00% to 2.50%, matching the long-term inflation assumption utilized by the Plan's investment consultant.

Schedule of Contributions - General Employees' Pension Trust Fund

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CITY OF AUBURNDALE, FLORIDA
Schedule of Contributions - Police Officers' Pension Trust Fund

Fiscal year end	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
September 30, 2024	\$ 731,018	\$ 731,018	\$ -	\$ 2,779,514	26.30%
September 30, 2023	713,015	731,169	18,154	2,555,611	28.61%
September 30, 2022	646,104	646,130	26	2,197,631	29.40%
September 30, 2021	657,909	662,541	4,632	2,143,026	30.92%
September 30, 2020	656,186	656,186	-	2,103,159	31.20%
September 30, 2019	629,881	629,984	103	1,938,094	32.51%
September 30, 2018	639,042	639,042	-	1,785,032	35.80%
September 30, 2017	588,826	588,826	-	1,742,088	33.80%
September 30, 2016	582,809	582,809	-	1,665,166	35.00%
September 30, 2015	551,319	551,319	-	1,626,310	33.90%

Notes to the Schedule of Contributions:

Valuation date October 1, 2022

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

Methods and assumptions used to determine contribution amounts:

Actuarial cost method:	Entry age actuarial cost method
Interest rate	7.25% per year compounded annually, net of investment related expenses.
Asset valuation method:	All assets are valued at market with an adjustment to uniformly spread actuarial investment gains and losses over a five-year period.
Salary increases:	Assumptions are service based with one year of service or less is assumed at 12%, two to ten years of service is 4.75%, and greater than ten years of service is 4.25%.
Mortality basis:	Society of Actuaries' Retirement Plans Experience Committee (RPEC) PUB-2010 Public Retirement Plans Mortality Tables Report with adjustments for mortality improvements based on Mortality Improvement Scale MP-2018.
Normal retirement:	Retirement probability at age 55+ with more than 10 years of service is assumed at 100%. For ages less than 55 retirement probability is 10% for less than 20 years of service, 50% for greater than 20 and less than 24 years of service and 100% for 25 or more years of service.
Early retirement	Commencing with the earliest Early Retirement Age (50 with 10 years of credited service), Members are assumed to retire with an immediate subsidized benefit at the rate of 10% per year.
Disability and Termination:	See table below. It is assumed that 75% of disability retirements are service related.
Payroll growth:	2.09% per year
Changes:	The assumed interest rate was reduced from 7.50% to 7.25%. The assumed salary increases were changed from 8.0% for less than one year of service and 4.75% for greater than one year of service. Retirement probability was changed from retirement probability at age 55+ with 10 years of service is assumed at 100%, with 20 years of service the assumed probability is 50%, with 21 to 22 years of service the assumed probability is 75% and with 23 or more years of service, the assumed probability is 100%.

Continued....

CITY OF AUBURNDALE, FLORIDA**Schedule of Contributions - Police Officers' Pension Trust Fund (concluded)**

Disability rate table

Age:	<u>20</u>	<u>30</u>	<u>40</u>	<u>50</u>
% becoming disabled during the year (current)	0.09%	0.12%	0.21%	0.54%
% becoming disabled during the year (prior)	0.03%	0.04%	0.07%	0.18%

Termination rate table

Years of service:	<u><2 years</u>	<u>2 to 7</u>	<u>8 to 9</u>	<u>10 to 14</u>	<u>15 or more</u>
% terminating during the year (current)	12.00%	7.00%	7.00%	7.00%	4.00%
% terminating during the year (prior)	8.50%	8.50%	0.00%	4.00%	4.00%

CITY OF AUBURNDALE, FLORIDA
Schedule of Contributions - Firefighters' Pension Trust Fund

Fiscal year end	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess (Deficiency)	Covered Payroll	Contributions as a % of Covered Payroll
September 30, 2024	\$ 530,230	\$ 540,704	\$ 10,474	\$ 1,568,726	34.47%
September 30, 2023	422,325	422,325	-	1,340,714	31.50%
September 30, 2022	480,369	480,369	-	1,200,923	40.00%
September 30, 2021	527,811	527,811	-	1,165,145	45.30%
September 30, 2020	503,983	503,983	-	1,119,962	45.00%
September 30, 2019	482,402	482,405	3	1,093,883	44.10%
September 30, 2018	463,368	463,368	-	1,005,135	46.10%
September 30, 2017	403,633	400,165	(3,468)	943,067	42.43%
September 30, 2016	354,517	357,985	3,468	834,158	42.92%
September 30, 2015	395,634	395,634	-	951,460	41.58%

Notes to Schedule of Contributions:

Valuation date October 1, 2022

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

Methods and assumptions used to determine contribution amounts:

Actuarial cost method:	Entry age actuarial cost method
Interest rate	7.25% per year compounded annually, net of investment related expenses.
Asset valuation method:	All assets are valued at market with an adjustment to uniformly spread actuarial investment gains and losses over a five-year period.
Salary increases:	Assumptions are service based with one year of service or less assumed to be 15%, two to eleven years of service is 5%, twelve to sixteen years of service is 4.50% and greater than sixteen years of service is 4.0%.
Mortality basis:	Society of Actuaries' Retirement Plans Experience Committee (RPEC) PUB-2010 Public Retirement Plans Mortality Tables Report with adjustments for mortality improvements based on Mortality Improvement Scale MP-2018.
Retirement age:	Assumed retirement rate for ages less than 55 with up to 25 years of service is 5.0%, regardless of age with 25 years of service is 66.7% and greater than 26 years of service or achieving age 55 is assumed at 100%.
Early retirement	Commencing with the earliest Early Retirement Age (50 with 10 years of credited service), Members are assumed to retire with an immediate subsidized benefit at the rate of 5% per year.
Disability and Termination:	See table below. It is assumed that 90% of disability retirements are service related.
Payroll growth:	1.65% per year
Changes:	The assumed interest rate was reduced from 7.50% to 7.25%. The assumed salary increases were changed from less than one year of service is 12% and greater than one year of service is 5%. Retirement probability was changed from three earlier of age 55 with 10 years of credited service or the completion of 25 years of credited service.

Continued...

CITY OF AUBURNDALE, FLORIDA

Schedule of Contributions - Firefighters' Pension Trust Fund (concluded)

Disability rate table

Age:	20	30	40	50
% becoming disabled during the year (current)	0.06%	0.08%	0.14%	0.36%
% becoming disabled during the year (prior)	0.03%	0.04%	0.07%	0.18%

Termination rate table

Years of service:	< 3	3 to 7	8 to 9	10	11 or more
% terminating during the year (current)	20.00%	15.00%	0.00%	15.00%	1.00%
% terminating during the year (prior)	15.00%	15.00%	0.00%	15.00%	1.00%

CITY OF AUBURNDALE, FLORIDA
Schedule of Changes in The Total OPEB Liability and Related Ratios

Reporting period ending Measurement date	9/30/2024 9/30/2023	9/30/2023 9/30/2022	9/30/2022 9/30/2021	9/30/2021 9/30/2020	9/30/2020 9/30/2019
Total OPEB Liability					
Service cost	\$ 559,488	\$ 880,997	\$ 865,971	\$ 607,145	\$ 607,798
Interest	555,644	363,526	352,916	470,132	579,749
Change in assumptions	(2,044,283)	(3,636,365)	(1,121,290)	2,602,338	1,561,950
Differences between expected and actual experience	(246,243)	-	(1,055,577)	-	(2,980,389)
Benefit payments	(621,421)	(578,067)	(599,249)	(557,443)	(454,594)
Net change in total pension liability	(1,796,815)	(2,969,909)	(1,557,229)	3,122,172	(685,486)
Total OPEB liability, beginning	11,396,311	14,366,220	15,923,449	12,801,277	13,486,763
Total OPEB liability, ending	<u>\$ 9,599,496</u>	<u>\$ 11,396,311</u>	<u>\$ 14,366,220</u>	<u>\$ 15,923,449</u>	<u>\$ 12,801,277</u>
Covered-employee payroll	\$ 9,841,402	\$ 8,334,516	\$ 8,012,764	\$ 7,671,387	\$ 7,910,302
Total OPEB liability as a percentage of covered-employee payroll	97.54%	136.74%	179.29%	207.57%	161.83%
Reporting period ending Measurement date	9/30/2019 9/30/2018	9/30/2018 9/30/2017			
Total OPEB Liability					
Service cost	\$ 663,734	\$ 729,920			
Interest	519,072	453,027			
Change in assumptions	(1,081,142)	(1,259,721)			
Differences between expected and actual experience	-	-			
Benefit payments	(418,981)	(385,270)			
Net change in total pension liability	(317,317)	(462,044)			
Total OPEB liability, beginning	13,804,080	14,266,124			
Total OPEB liability, ending	<u>\$ 13,486,763</u>	<u>\$ 13,804,080</u>			
Covered-employee payroll	\$ 7,910,302	\$ 7,267,326			
Total OPEB liability as a percentage of covered-employee payroll	170.50%	189.95%			

Notes to Schedule:

No assets are being accumulated in a trust to pay for plan benefits.

Additional information will be provided annually until ten years of data is presented.

Continued...

CITY OF AUBURNDALE, FLORIDA**Schedule of Changes in The Total OPEB Liability and Related Ratios (concluded)**

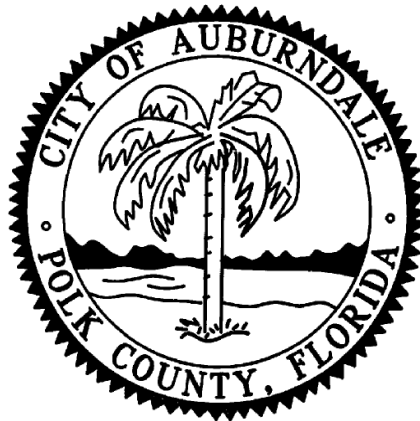
Changes of Assumptions:

The following discount rates are those used for each measurement date:

<u>Measurement Date</u>	<u>Discount Rate</u>
September 30, 2016	3.06%
September 30, 2017	3.64%
September 30, 2018	4.18%
September 30, 2019	3.58%
September 30, 2020	2.14%
September 30, 2021	2.43%
September 30, 2022	4.77%
September 30, 2023	4.87%

Also, for the September 30, 2021 measurement date, reflected as assumption changes are updated health care costs and premiums, updated health care cost trend rates, and updated mortality rates.

Difference Between Expected and Actual Experience: Difference Between Expected and Actual Experience reflects the impact of changes to the census data from one valuation to the next.



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Other Supplementary Information

CITY OF AUBURNDALE, FLORIDA

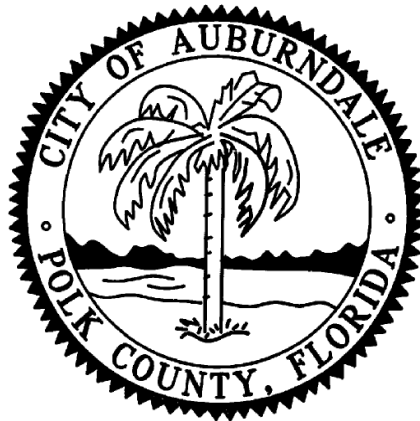
Combining Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2024

	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ASSETS				
Receivables:				
Contributions receivable:				
City	\$ 309,303	\$ 97,260	\$ 112,879	\$ 519,442
Plan members	757	6,253	4,868	11,878
Accrued income	38,853	1,197	710	40,760
Total receivables	348,913	104,710	118,457	572,080
Investments, at fair value:				
Short-term money market funds	306,781	348,876	310,682	966,339
U.S. Government obligations	764,634	-	-	764,634
Mortgage/asset backed securities	2,263,669	-	-	2,263,669
Fixed income mutual funds	-	4,357,847	2,236,851	6,594,698
Corporate and foreign bonds	2,160,410	-	-	2,160,410
Equity securities	-	1,911,824	1,131,775	3,043,599
Equity mutual funds	19,559,664	10,802,721	5,914,925	36,277,310
Real estate investment fund	2,079,088	1,472,099	860,739	4,411,926
Total investments	27,134,246	18,893,367	10,454,972	56,482,585
Total assets	27,483,159	18,998,077	10,573,429	57,054,665
LIABILITIES				
Accounts payable	11,783	12,430	7,930	32,143
Total Liabilities	11,783	12,430	7,930	32,143
NET POSITION				
Restricted for pension benefits	\$ 27,471,376	\$ 18,985,647	\$ 10,565,499	\$ 57,022,522

CITY OF AUBURNDALE, FLORIDACombining Statement of Changes in Fiduciary Net Position – Fiduciary Funds
for the year ended September 30, 2024

	General Employees' Pension Trust Fund	Police Officers' Pension Trust Fund	Firefighters' Pension Trust Fund	Total
ADDITIONS				
Contributions:				
City	\$ 1,237,210	\$ 449,760	\$ 391,129	\$ 2,078,099
Plan members	21,529	155,654	142,754	319,937
State of Florida	-	281,258	149,575	430,833
Total contributions	1,258,739	886,672	683,458	2,828,869
Investment income	5,147,610	3,604,449	2,000,164	10,752,223
Less investment expenses:				
Performance evaluation	25,000	24,000	24,000	73,000
Custodial fees	15,001	6,000	6,000	27,001
Investment management fees	35,678	13,090	7,640	56,408
Total investment expenses	75,679	43,090	37,640	156,409
Net investment income	5,071,931	3,561,359	1,962,524	10,595,814
Total additions	6,330,670	4,448,031	2,645,982	13,424,683
DEDUCTIONS				
Administrative expenses:				
Legal	6,282	6,539	6,486	19,307
Administrator fee	19,200	18,000	18,000	55,200
Actuarial	29,947	24,265	21,506	75,718
Insurance, supplies and other	5,453	3,186	3,987	12,626
Audit	5,417	5,916	5,778	17,111
Total administrative expenses	66,299	57,906	55,757	179,962
Payments to retirees and participants	2,192,794	896,238	639,110	3,728,142
Total deductions	2,259,093	954,144	694,867	3,908,104
CHANGE IN NET POSITION	4,071,577	3,493,887	1,951,115	9,516,579
NET POSITION, beginning of year	23,399,799	15,491,760	8,614,384	47,505,943
NET POSITION, end of year	\$ 27,471,376	\$ 18,985,647	\$ 10,565,499	\$ 57,022,522



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Statistical Section

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.

Net Position by Component	93
Changes in Net Position	94-95
Fund Balances of Governmental Funds	96
Changes in Fund Balances of Governmental Funds	97

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Assessed and Estimated Actual Value of Taxable Property	98
Property Tax Rates – Direct and Overlapping Governments	99
Principal Property Taxpayers	100
Property Tax Levies and Collections	101

Debt Capacity

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

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Demographic and Economic Information

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

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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.

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City of Auburndale, Florida
Schedule of Net Position - By Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Governmental Activities</u>										
Net investment										
in capital assets	\$ 24,941,977	\$ 28,374,983	\$ 31,706,373	\$ 35,287,042	\$ 38,855,834	\$ 40,671,611	\$ 44,468,109	\$ 46,687,748	\$ 53,689,964	\$ 56,793,590
Restricted	3,599,607	3,968,021	3,695,923	3,057,221	3,433,402	5,604,560	8,017,708	10,775,895	10,764,379	8,517,899
Unrestricted	(7,378,645)	(7,791,912)	(8,563,251)	(13,560,015)	(14,798,477)	(10,174,850)	(11,104,704)	(5,046,868)	(2,302,149)	4,620,034
Total governmental activities net position	\$ 21,162,939	\$ 24,551,092	\$ 26,839,045	\$ 24,784,248	\$ 27,490,759	\$ 36,101,321	\$ 41,381,113	\$ 52,416,775	\$ 62,152,194	\$ 69,931,523
<u>Business-type activities</u>										
Net investment										
in capital assets	\$ 19,380,925	\$ 18,750,657	\$ 17,339,470	\$ 19,438,815	\$ 19,988,434	\$ 24,273,491	\$ 32,448,635	\$ 36,560,059	\$ 47,974,618	\$ 56,836,865
Restricted	2,336,695	2,206,195	2,276,178	1,542,587	2,415,948	4,181,913	9,594,107	16,225,977	13,060,166	17,966,764
Unrestricted	600,164	1,766,663	3,075,381	2,757,963	2,843,058	5,204,638	4,805,590	9,024,143	12,611,407	17,965,194
Total Business-type activities net position	\$ 22,317,784	\$ 22,723,515	\$ 22,691,029	\$ 23,739,365	\$ 25,247,440	\$ 33,660,042	\$ 46,848,332	\$ 61,810,179	\$ 73,646,191	\$ 92,768,823
<u>Primary Government</u>										
Net investment										
in capital assets	\$ 44,322,902	\$ 47,125,640	\$ 49,045,843	\$ 54,725,857	\$ 58,844,268	\$ 64,945,102	\$ 76,916,744	\$ 83,247,807	\$ 101,664,582	\$ 113,630,455
Restricted	5,936,302	6,174,216	5,972,101	4,599,808	5,849,350	9,786,473	17,611,815	27,001,872	23,824,545	26,484,663
Unrestricted	(6,778,481)	(6,025,249)	(5,487,870)	(10,802,052)	(11,955,419)	(4,970,212)	(6,299,114)	3,977,275	10,309,258	22,585,228
Total primary government net position	\$ 43,480,723	\$ 47,274,607	\$ 49,530,074	\$ 48,523,613	\$ 52,738,199	\$ 69,761,363	\$ 88,229,445	\$ 114,226,954	\$ 135,798,385	\$ 162,700,346

Sources: Information derived from the annual financial reports for the relevant year.

City of Auburndale, Florida
Schedule of Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
<u>Expenses</u>										
Governmental Activities:										
General Government	\$ 1,583,934	\$ 1,541,300	\$ 1,654,061	\$ 1,920,291	\$ 2,060,531	\$ 1,722,641	\$ 1,915,917	\$ 1,593,164	\$ 2,020,313	\$ 1,872,656
Library	599,672	608,175	758,115	681,785	710,612	674,303	775,900	601,180	648,866	650,135
Police	4,302,386	4,686,378	4,884,559	5,035,164	5,043,772	5,053,525	5,156,607	4,478,141	6,039,824	6,960,552
Fire	2,068,450	2,510,840	2,617,604	2,493,336	2,455,695	2,686,868	2,834,841	2,443,389	3,175,923	3,738,629
Building and zoning	729,585	527,735	614,791	956,803	618,708	680,128	791,222	849,983	829,028	957,156
Public works administration	186,997	688,754	1,178,929	1,192,807	1,302,273	1,157,110	1,057,132	968,019	1,444,490	1,825,755
Sanitation	1,303,631	1,442,658	1,656,039	1,657,888	1,703,171	1,791,265	1,956,652	2,042,159	2,464,888	2,064,447
Streets	1,139,286	1,067,386	1,149,651	1,264,885	1,691,530	2,400,421	2,024,185	2,109,371	2,267,353	2,346,882
Parks and recreation	3,894,033	4,173,904	3,799,682	3,698,819	4,102,919	3,821,183	4,434,192	4,202,446	5,001,931	5,692,467
Community redevelopment	72,708	85,082	414,115	659,176	488,813	601,281	667,522	578,576	606,676	534,311
Interest on long term debt	502,661	671,365	523,390	390,393	357,066	807,169	572,093	608,519	464,463	960,804
Total governmental activities expenses	16,383,343	18,003,577	19,250,936	19,951,347	20,535,090	21,395,894	22,186,263	20,474,947	24,963,755	27,603,794
Business-type activities:										
Water and wastewater utility	8,959,217	9,322,481	9,814,254	9,645,386	10,420,623	11,465,540	10,573,010	12,040,956	13,258,849	13,815,654
Total business-type activities expenses	8,959,217	9,322,481	9,814,254	9,645,386	10,420,623	11,465,540	10,573,010	12,040,956	13,258,849	13,815,654
Total primary government expenses	\$ 25,342,560	\$ 27,326,058	\$ 29,065,190	\$ 29,596,733	\$ 30,955,713	\$ 32,861,434	\$ 32,759,273	\$ 32,515,903	\$ 38,222,604	\$ 41,419,448
<u>Program revenues</u>										
Governmental activities:										
Charges for services	\$ 3,381,546	\$ 3,369,298	\$ 3,450,658	\$ 3,257,831	\$ 3,736,769	\$ 4,652,836	\$ 5,398,145	\$ 6,531,049	\$ 5,462,249	\$ 5,778,903
Operating grants and contributions	542,434	592,507	550,731	604,693	518,456	634,448	610,244	681,346	694,952	691,387
Capital grants and contributions	2,161,175	2,603,035	2,825,462	3,172,001	2,344,127	7,505,233	2,773,923	4,120,040	3,166,304	2,480,649
Total governmental activities program rev.	6,085,155	6,564,840	6,826,851	7,034,525	6,599,352	12,792,517	8,782,312	11,332,435	9,323,505	8,950,939
Business-type activities:										
Charges for services	10,499,197	11,652,583	12,105,580	12,145,328	12,914,602	13,419,401	14,498,486	16,067,200	17,649,177	18,720,571
Operating grants and contributions	-	-	-	-	-	-	-	-	-	-
Capital grants and contributions	2,287,466	1,711,098	895,699	3,272,941	2,485,137	9,952,744	13,307,787	13,607,420	11,171,241	16,265,278
Total business-type program revenues	12,786,663	13,363,681	13,001,279	15,418,269	15,399,739	23,372,145	27,806,273	29,674,620	28,820,418	34,985,849
Total primary government program revenues	\$ 18,871,818	\$ 19,928,521	\$ 19,828,130	\$ 22,452,794	\$ 21,999,091	\$ 36,164,662	\$ 36,588,585	\$ 41,007,055	\$ 38,143,923	\$ 43,936,788
<u>Net(expenses)/revenue</u>										
Governmental activities	(10,298,188)	(11,438,737)	(12,424,085)	(12,916,822)	(13,935,738)	(8,603,377)	(13,403,951)	(9,142,512)	(15,640,250)	(18,652,855)
Business-type activities	3,827,446	4,041,200	3,187,025	5,772,883	4,979,116	11,906,605	17,233,263	17,633,664	15,561,569	21,170,195
Total primary government net expenses	\$ (6,470,742)	\$ (7,397,537)	\$ (9,237,060)	\$ (7,143,939)	\$ (8,956,622)	\$ 3,303,228	\$ 3,829,312	\$ 8,491,152	\$ (78,681)	\$ 2,517,340

Continued...

Sources: Information derived from the annual financial reports for the relevant year.

City of Auburndale, Florida
Schedule of
Changes in Net Position (concluded)
Last Ten Fiscal Years
(accrual basis of accounting)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes in Net Position											
Governmental Activities:											
Taxes											
Property Taxes	\$ 4,029,013	\$ 4,472,859	\$ 4,522,527	\$ 4,596,725	\$ 4,877,421	\$ 5,450,729	\$ 6,280,184	\$ 6,629,676	\$ 7,631,333	\$ 9,139,878	\$ 10,474,964
Franchise Taxes	958,540	1,601,373	1,843,023	1,762,003	1,803,030	1,823,489	1,696,413	1,966,799	2,321,830	2,838,366	2,723,290
Public Service Taxes	2,617,818	2,598,006	2,690,549	2,786,025	2,924,035	2,953,465	3,013,081	3,115,652	3,500,447	4,017,191	4,249,705
Fuel Taxes	705,841	744,992	784,968	819,426	883,025	917,080	867,558	943,555	993,469	955,932	980,819
State shared revenue	1,080,415	1,157,383	1,237,066	1,321,164	1,426,765	1,533,011	1,491,780	1,754,212	2,076,201	2,027,441	2,059,363
Investment earnings	6,936	6,013	10,591	57,377	119,989	174,235	156,343	9,955	135,857	1,733,342	1,732,307
Miscellaneous	49,195	140,608	92,172	107,311	409,822	286,538	196,076	216,598	194,970	286,479	177,388
Gain (loss) on sale of capital assets	-	-	-	-	-	6,590	(22,319)	-	-	7,039	29,643
Interfund transfer	2,313,573	4,149,127	3,645,994	3,262,007	3,616,194	3,497,112	3,534,823	4,047,296	3,324,067	4,370,001	4,004,705
Total governmental activities	11,761,331	14,870,361	14,826,890	14,712,038	16,060,281	16,642,249	17,213,939	18,683,743	20,178,174	25,375,669	26,432,184
Business-type Activities:											
Investment earnings	3,942	3,358	2,420	42,496	59,964	36,461	35,582	2,323	58,250	644,444	1,957,142
Miscellaneous	-	8,976	8,105	-	-	-	-	-	-	-	-
Gain (loss) on sale of capital assets	-	-	-	-	21,654	(10,390)	5,238	-	594,000	-	-
Interfund transfer	(2,313,573)	(4,149,127)	(3,645,994)	(3,262,007)	(3,616,194)	(3,497,112)	(3,534,823)	(4,047,296)	(3,324,067)	(4,370,001)	(4,004,705)
Total business-type activities	(2,309,631)	(4,136,793)	(3,635,469)	(3,219,511)	(3,534,576)	(3,471,041)	(3,494,003)	(4,044,973)	(2,671,817)	(3,725,557)	(2,047,563)
Total primary government	\$ 9,451,700	\$ 10,733,568	\$ 11,191,421	\$ 11,492,527	\$ 12,525,705	\$ 13,171,208	\$ 13,719,936	\$ 14,638,770	\$ 17,506,357	\$ 21,650,112	\$ 24,384,621
Change in Net Position											
Governmental activities	\$ (405,704)	\$ 4,572,173	\$ 3,388,153	\$ 2,287,953	\$ 3,143,459	\$ 2,706,511	\$ 8,610,562	\$ 5,279,792	\$ 11,035,662	\$ 9,735,419	\$ 7,779,329
Business-type activities	(632,509)	(309,347)	405,731	(32,486)	2,238,307	1,508,075	8,412,602	13,188,290	14,961,847	11,836,012	19,122,632
Total Primary Government	\$ (1,038,213)	\$ 4,262,826	\$ 3,793,884	\$ 2,255,467	\$ 5,381,766	\$ 4,214,586	\$ 17,023,164	\$ 18,468,082	\$ 25,997,509	\$ 21,571,431	\$ 26,901,961

Sources: Information derived from the annual financial reports for the relevant year.

City of Auburndale, Florida
Schedule of
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General fund										
Nonspendable	\$ 13,931	\$ 16,360	\$ 13,922	\$ 17,526	\$ 13,398	\$ 16,349	\$ 17,440	\$ 601,910	\$ 376,789	\$ 410,900
Restricted	6,028,478	2,747,676	2,456,641	2,639,062	2,985,729	2,243,981	2,703,325	3,125,200	2,546,617	17,425,666
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	4,063,269	4,206,045	4,740,103	5,886,736	5,220,703	6,837,878	8,091,839	11,131,733	15,003,535	21,311,951
Total General Fund	<u>\$ 10,105,678</u>	<u>\$ 6,970,081</u>	<u>\$ 7,210,666</u>	<u>\$ 8,543,324</u>	<u>\$ 8,219,830</u>	<u>\$ 9,098,208</u>	<u>\$ 10,812,604</u>	<u>\$ 14,858,843</u>	<u>\$ 17,926,941</u>	<u>\$ 39,148,517</u>
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2023
All other governmental funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	1,257,158	1,413,419	1,382,119	549,417	565,971	3,422,277	5,360,520	7,679,185	8,240,552	6,715,765
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 1,257,158</u>	<u>\$ 1,413,419</u>	<u>\$ 1,382,119</u>	<u>\$ 549,417</u>	<u>\$ 565,971</u>	<u>\$ 3,422,277</u>	<u>\$ 5,360,520</u>	<u>\$ 7,679,185</u>	<u>\$ 8,240,552</u>	<u>\$ 6,715,765</u>

Sources: Information derived from the annual financial reports for the relevant year.

City of Auburndale, Florida
Schedule of Changes in
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 9,387,117	\$ 9,724,536	\$ 9,873,759	\$ 10,379,883	\$ 11,040,174	\$ 11,761,223	\$ 12,540,284	\$ 14,303,301	\$ 16,836,185	\$ 18,307,679
Licenses and Permits	355,889	514,573	744,888	611,234	823,050	1,859,640	2,740,558	3,193,386	1,796,152	1,808,370
Intergovernmental	3,759,560	3,065,077	4,045,926	4,893,781	4,195,407	3,689,360	4,448,751	5,624,270	5,475,821	4,433,634
Charges for services	2,972,307	2,796,434	2,713,368	2,761,786	3,055,113	3,271,171	3,618,582	4,403,620	4,028,533	4,514,480
Fines and forfeitures	38,195	36,088	40,337	42,761	79,798	119,258	179,049	116,398	138,139	195,007
Other	374,349	446,935	209,951	500,706	494,716	504,762	280,063	484,322	2,081,977	1,969,099
Total revenues	<u>\$ 16,887,417</u>	<u>\$ 16,583,643</u>	<u>\$ 17,628,229</u>	<u>\$ 19,190,151</u>	<u>\$ 19,688,258</u>	<u>\$ 21,205,414</u>	<u>\$ 23,807,287</u>	<u>\$ 28,125,297</u>	<u>\$ 30,356,807</u>	<u>\$ 31,228,269</u>
Expenditures										
Current:										
General Government	\$ 1,480,641	\$ 1,402,263	\$ 1,407,077	\$ 1,711,181	\$ 1,925,685	\$ 1,783,812	\$ 2,025,493	\$ 1,669,358	\$ 1,968,420	\$ 1,739,751
Public Safety	6,955,843	6,766,450	7,051,203	7,463,716	7,582,252	7,788,688	7,962,724	8,201,051	8,998,666	10,423,914
Physical environment	1,845,669	2,195,151	2,403,018	2,609,696	2,795,480	2,910,151	3,018,036	3,288,065	3,553,343	3,814,652
Economic environment	120,575	153,417	156,149	283,216	211,940	223,144	386,946	302,497	302,780	285,808
Transportation	765,888	698,266	756,442	805,145	804,448	831,680	797,793	910,334	1,013,744	1,120,344
Culture & Recreation	3,222,819	3,388,715	3,426,196	3,184,294	3,582,230	3,532,577	3,964,534	3,879,663	4,519,594	4,821,761
Debt Service:										
Principal retirement	1,146,310	1,185,407	1,003,301	1,493,231	1,538,524	1,594,686	1,890,907	1,965,100	1,455,524	1,830,136
Interest and other fiscal charges	514,750	632,416	438,685	393,953	362,714	830,090	582,448	603,344	468,630	713,327
Capital Outlay	1,963,530	6,786,888	3,395,800	4,623,909	4,940,279	11,204,213	3,865,642	7,800,336	9,303,433	10,565,253
Total expenditures	<u>\$ 18,016,025</u>	<u>\$ 23,208,973</u>	<u>\$ 20,037,871</u>	<u>\$ 22,568,341</u>	<u>\$ 23,743,552</u>	<u>\$ 30,699,041</u>	<u>\$ 24,494,523</u>	<u>\$ 28,619,748</u>	<u>\$ 31,584,134</u>	<u>\$ 35,314,946</u>
Excess(deficiency) of revenues over(under) expenditures	\$ (1,128,608)	\$ (6,625,330)	\$ (2,409,642)	\$ (3,378,190)	\$ (4,055,294)	\$ (9,493,627)	\$ (687,236)	\$ (494,451)	\$ (1,227,327)	\$ (4,086,677)
Other financing sources(uses)										
Transfers in	4,149,127	3,645,994	3,262,007	3,616,194	3,497,112	3,534,823	4,047,296	3,324,067	4,370,001	4,004,705
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	395,709
Insurance proceeds	-	-	-	261,952	63,706	34,331	84,524	35,288	167,589	28,570
Subscriptions issued	-	-	-	-	-	-	-	-	-	359,853
Proceeds from Borrowing	4,500,000	-	5,959,846	-	187,536	9,659,157	208,055	3,500,000	319,202	18,994,629
Payment to refunding bond escrow agent	-	-	(6,602,926)	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>\$ 8,649,127</u>	<u>\$ 3,645,994</u>	<u>\$ 2,618,927</u>	<u>\$ 3,878,146</u>	<u>\$ 3,748,354</u>	<u>\$ 13,228,311</u>	<u>\$ 4,339,875</u>	<u>\$ 6,859,355</u>	<u>\$ 4,856,792</u>	<u>\$ 23,783,466</u>
Net change in fund balance	\$ 7,520,519	\$ (2,979,336)	\$ 209,285	\$ 499,956	\$ (306,940)	\$ 3,734,684	\$ 3,652,639	\$ 6,364,904	\$ 3,629,465	\$ 19,696,789
Debt service as percentage of non-capital expenditures	10.3%	11.7%	9.0%	10.2%	9.9%	15.3%	11.8%	12.1%	8.5%	9.9%

Sources: Information derived from the annual financial reports for the relevant year.

City of Auburndale, Florida
Schedule of
Assessed Value and Estimated Actual Value of Taxable Property (1)
Last Ten Fiscal Years

Fiscal Year	Real Property	Assessed Value of Personal Property	Centrally Assessed Property	Taxable Assessed Valuation	Total Direct MillageTax Rate
2024	1,969,904,931	628,874,761	2,447,037	2,410,153,436	4.2515
2023	1,665,407,713	567,970,427	2,448,561	2,108,006,935	4.2515
2022	1,390,820,683	525,059,008	2,436,810	1,918,316,501	4.2515
2021	1,129,516,283	420,362,445	2,247,665	1,552,126,393	4.2515
2020	957,201,379	398,919,640	1,953,976	1,358,074,995	4.2515
2019	862,689,225	430,206,041	1,733,048	1,294,628,314	4.2515
2018	791,277,435	409,583,576	1,774,659	1,202,635,670	4.2515
2017	684,755,661	357,657,670	1,686,747	1,044,100,078	4.2657
2016	579,081,646	380,065,184	1,722,144	960,868,974	4.2657
2015	528,236,438	437,270,607	1,519,692	967,026,737	4.2657

(1) The State of Florida, by statute, requires property appraisers to assess all property within the State at 100% of market value. Therefore, the assessed valuation and estimated actual value is the same.

Source: Polk County Property Appraiser

Note: Property in the city is assessed each year. Tax rates are per \$1,000 of assessed value.

City of Auburndale, Florida
Schedule of
Property Tax Rates - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Auburndale	Polk County (BOCC)	Polk County School Board	Lakes Region Lake Management	Southwest Florida Water Management District	Total
2024	4.2515	6.6348	5.2960	0.0000	0.1909	16.3732
2024	4.2515	6.6348	5.2960	0.3486	0.1909	16.7218 **
2023	4.2515	6.6852	5.4080	0.0000	0.2043	16.5490
2023	4.2515	6.6852	5.4080	0.3691	0.2043	16.9181 **
2022	4.2515	6.692	5.5190	0.0000	0.226	16.6885
2022	4.2515	6.692	5.5190	0.4100	0.226	17.0985 **
2021	4.2515	6.899	5.8290	0.0000	0.2535	17.2330
2021	4.2515	6.899	5.8290	0.4100	0.2535	17.6430 **
2020	4.2515	6.899	5.9350	0.0000	0.2669	17.3524
2020	4.2515	6.899	5.9350	0.4100	0.2669	17.7624 **
2019	4.2515	7.1565	6.0860	0.0000	0.2801	17.7741
2019	4.2515	7.1565	6.0860	0.4214	0.2801	18.1955 **
2018	4.2515	7.1565	6.2510	0.0000	0.2955	17.9545
2018	4.2515	7.1565	6.2510	0.4214	0.2955	18.3759 **
2017	4.2657	6.7815	6.5140	0.0000	0.3131	17.8743
2017	4.2657	6.7815	6.5140	0.4214	0.3131	18.2957 **
2016	4.2657	6.7815	6.7970	0.0000	0.3317	18.1759
2016	4.2657	6.7815	6.7970	0.4512	0.3317	18.6271 **
2015	4.2657	6.7815	7.1490	0.0000	0.3488	18.5450
2015	4.2657	6.7815	7.1490	0.4715	0.3488	19.0165 **

** Rate includes property within the Lake Region Lake Management District

Source: www.polkpa.org - Final Millage Rates

City of Auburndale, Florida
Schedule of
Principal Property Tax Payers
September 30, 2024 for the Current Year and Nine Years Prior

2024			2015		
Taxpayer	Taxable Assessed Valuation	Percentage of Total Taxable Assessed Value	Taxpayer	Taxable Assessed Valuation	Percentage of Total Taxable Assessed Value
Coca Cola	\$ 206,701,710	8.58%	Coca Cola	\$ 225,113,092	23.66%
Duke Energy	178,971,186	7.43%	Calpine Construction Finance	120,135,073	12.62%
Bel Lakeland LLC	81,068,550	3.36%	Verizon	27,301,228	2.87%
MRE PropCo LP	62,677,309	2.60%	Tampa Electric	21,080,780	2.22%
Saddle Creek Corporation	59,617,326	2.47%	Florida Brewery Inc	16,484,920	1.73%
Tampa Electric	56,856,508	2.36%	Sewell Products of Floridad Inc	12,487,673	1.31%
SFR V Tranche 5 Borrower LLC	56,705,723	2.35%	Bright House	10,981,535	1.15%
Groves at Lake Juliana LLC	50,018,255	2.08%	Walmart	9,509,608	1.00%
Amazon	42,884,788	1.78%	Gulfstream NTRL Gas	9,503,284	1.00%
BGO Pace Logistics LLC	37,971,505	1.58%	Buckhead Beef Company	9,060,148	0.95%
Total of Top Ten Taxpayers	<u>\$ 833,472,860</u>	<u>34.58%</u>	Total of Top Ten Taxpayers	<u>\$ 461,657,341</u>	<u>48.51%</u>

* Data not available

Source: Polk County Tax Collector

City of Auburndale, Florida
Schedule of Property Tax Levies and Collections
Last Ten Years

Fiscal Year	Total Tax Levy	Current Tax Collection	Percent of Levy Collected	Delinquent Tax Collections	Total Tax Collection	Ratio of Levy to Collections
2024	\$ 9,497,978	\$ 9,124,520	96.07%	\$ 14,891	\$ 9,139,411	96.22%
2023	\$ 8,249,501	\$ 7,931,681	96.15%	\$ 9,906	\$ 7,941,587	96.27%
2022	\$ 6,861,946	\$ 6,600,290	96.19%	\$ 9,188	\$ 6,609,478	96.32%
2021	\$ 5,868,998	\$ 5,649,453	96.26%	\$ 4,083	\$ 5,653,536	96.33%
2020	\$ 5,563,874	\$ 5,357,357	96.29%	\$ 3,312	\$ 5,360,669	96.35%
2019	\$ 5,129,641	\$ 4,898,261	95.49%	\$ 2,370	\$ 4,900,631	95.54%
2018	\$ 4,461,241	\$ 4,268,792	95.69%	\$ 11,831	\$ 4,280,623	95.95%
2017	\$ 4,105,962	\$ 3,959,432	96.43%	\$ 13,330	\$ 3,972,762	96.76%
2016	\$ 4,115,978	\$ 3,953,435	96.05%	\$ 10,565	\$ 3,964,000	96.31%
2015	\$ 4,109,529	\$ 3,952,277	96.17%	\$ 8,797	\$ 3,961,074	96.39%

Source: Polk County Property Appraiser

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

Fiscal Year	Governmental Activities		Business - Type Activities		Total Primary Government	City of Auburndale Personal Income (1)	Percentage of Income	Per Capita (2)
	Bonds and Notes Payable	Other Long-Term Debt	Bonds and Notes Payable	Other Long-Term Debt				
2015	17,149,388	-	34,416,206	-	51,565,594	497,391,120	10.37%	3,477
2016	15,963,981	-	39,720,079	-	55,684,060	518,548,350	10.74%	3,604
2017	14,501,876	-	38,917,766	-	53,419,642	547,373,787	9.76%	3,339
2018	13,008,645	-	37,647,714	-	50,656,359	576,131,898	8.79%	3,118
2019	11,657,657	-	36,325,020	285,790	48,268,467	605,954,566	7.97%	2,919
2020	19,651,806	-	34,959,755	506,406	55,117,967	680,691,200	8.10%	3,220
2021	17,968,953	-	33,542,012	587,383	52,098,348	720,372,684	7.23%	3,150
2022	19,503,853	-	32,066,894	722,730	52,293,477	754,371,019	6.93%	2,996
2023	18,079,716	287,815	30,529,518	692,036	49,589,085	857,410,140	5.78%	2,570
2024	35,483,829	408,048	28,929,995	800,182	65,622,054	*	*	3,251

Source:

(1) Federal Reserve Bank of St. Louis - Economic Research - Polk County

(2) Population base from University of Florida BEBR

* Information not available

**City of Auburndale, Florida
Schedule of
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years**

General Bonded Debt Outstanding

The City has not had any general bonded debt in the past ten fiscal years.

Source: City of Auburndale Finance Department

City of Auburndale, Florida
Schedule of
Direct and Overlapping Governmental Activities Debt
September 30, 2024

Jurisdiction	Debt Outstanding	Percentage Applicable to Auburndale	Amount Applicable to Auburndale
District School Board of Polk County	\$ 291,419,283	3.22% (1)	\$ 9,376,053
Polk County Board of County Commissioners	148,516,379	3.22% (2)	4,778,330
Total Overlapping Debt			14,154,383
Total Direct Debt			35,483,829
Total Direct and Overlapping Debt			\$ 49,638,212

(1) The percentage of overlapping debt applicable is calculated as a ratio of taxable assessed property values in the City of Auburndale to total taxable valuation of property in Polk County, Florida.

Sources:

(1) School Board of Polk County June 30, 2023 Annual Comprehensive Financial Report (latest available)

(2) Polk County, Florida September 30, 2023 Annual Comprehensive Financial Report (latest available)

**City of Auburndale, Florida
Schedule of
Legal Debt Margin Information
Last Ten Fiscal Years**

The City Charter and Florida State Statute 200.181 does not provide for legal debt limit.

Source: City of Auburndale, Florida finance department

City of Auburndale, Florida
Schedule of
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Water and Sewer Revenue (1)	Less: Water and Sewer Operating Expenses (2)	Net Revenues (3)	Debt Service (4)	Coverage (5)
2015	\$ 10,511,531	\$ (4,849,937)	\$ 5,661,594	\$ 2,692,681	2.10
2016	11,664,917	(4,933,565)	6,731,352	2,659,025	2.53
2017	12,148,076	(5,754,710)	6,393,366	1,839,057	3.48
2018	12,205,292	(5,583,717)	6,621,575	2,571,981	2.57
2019	12,951,063	(5,969,758)	6,981,305	2,577,369	2.71
2020	13,454,983	(6,920,926)	6,534,057	2,570,456	2.54
2021	14,500,809	(6,098,439)	8,402,370	2,548,513	3.30
2022	16,125,450	(7,246,774)	8,878,676	2,566,756	3.46
2023	18,293,621	(9,025,063)	9,268,558	2,566,938	3.61
2023	20,677,713	(9,027,631)	11,650,082	2,564,100	4.54

(1) Gross water and sewer revenues include all money received from rates, fees, rentals or other charges received by the City or accrued to it in the management and operation of the water and sewer system.

(2) Operating expenses include all costs of operating the water and sewer system but does not include depreciation expense, expenses not annually recurring, renewal and replacement reserve payments, the annual bond service requirement or transfers to other funds.

(3) Net revenues is equal to gross revenue less operating expenses.

(4) Principal and interest paid on long-term debt secured by water and sewer revenue.

(5) Net revenues divided by Debt Service

Source: City of Auburndale, Florida finance department

City of Auburndale, Florida
Schedule of
Pledged-Revenue Coverage
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Pledged Revenue (1)</u>	<u>Debt Service (2)</u>	<u>Coverage (3)</u>
2015	\$ 1,392,795	\$ 366,838	3.80
2016	1,453,496	366,380	3.97
2017	-	-	-
2018	-	-	-
2019	-	-	-
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024	-	-	-

(1) Residential and commercial garbage and refuse collection and removal fees.

(2) Principal and interest paid on long-term debt secured by the pledged revenues.

(3) Total Revenues divided by Debt Service.

Source: City of Auburndale, Florida finance department

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

Fiscal Year	Population (1)	Per Capita Personal Income (2)	Personal Income (2)	School Enrollment (3)	Unemployment Rate for Polk County (2)
2024	20,186	*	*	4,169	4.40
2023	19,298	44,430	857,410,140	4,169	3.90
2022	17,453	43,223	754,371,019	4,133	3.20
2021	16,539	43,556	720,372,684	3,845	4.90
2020	17,120	39,760	680,691,200	3,883	7.80
2019	16,534	36,649	605,954,566	3,801	3.50
2018	16,246	35,463	576,131,898	3,778	3.70
2017	15,999	34,213	547,373,787	4,169	4.10
2016	15,450	33,563	518,548,350	3,639	5.90
2015	14,832	33,535	497,391,120	3,593	6.20

* Information not available

(1) University of Florida BEBR

(2) Federal Reserve Bank of St. Louis - Economic Research - Polk County

(3) Polk County School Board

**City of Auburndale, Florida
Schedule of Principal Employers
Current Year**

		2024		
	Type of Business	Employees	Rank	Percentage of Total City Employment
Employer ⁽²⁾				
Coca-Cola Refreshments	Beverage Manufacturing	750	1	10%
Amazon	Online Fulfillment Center	500	2	7%
Good Shepard Hospice of Mid-Florida, Inc.	Nursing Care Facility	500	3	7%
Medline Industries	Medical Supply Distributor	450	4	6%
Polk County School Board	Public School	405	5	5%
Publix Supermarkets	Retail	360	6	5%
Walmart Supercenter	Retail	350	7	5%
Spectrum	Telecommunications	300	8	4%
Bynum Transport	Transportation	250	9	3%
City of Auburndale	Municipal Government	217	10	3%
		4,082		

Estimated Total City Employment ⁽³⁾ 7,670

(1) Principal employers for nine years ago is not available.

(2) Source: Auburndale Chamber of Commerce and Employer Human Resource Depts

(3) Source: <https://data.census.gov/>

2022 American Community Survey DP03 data presented

Data for nine years prior to the current year is unavailable

City of Auburndale, Florida
Full Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GENERAL FUND										
City Commission	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
City Administration	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
Information Technology	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance	3.0	3.0	3.0	3.0	3.0	4.0	3.0	3.0	3.0	3.0
Library	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Fire	22.0	21.0	24.0	22.0	22.0	22.0	21.0	21.5	22.5	23.5
Police	43.0	43.0	43.0	44.0	45.0	47.0	48.0	48.0	49.5	52.5
Community Development	5.0	5.0	5.0	5.0	5.0	6.0	6.5	6.5	7.0	7.0
Public Works Adm.	2.5	2.5	2.5	2.5	2.5	4.0	3.5	3.5	3.5	3.5
Sanitation	10.5	10.5	10.5	10.5	10.5	11.0	10.5	10.5	12.5	16.5
Street	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	10.0	10.0
Parks & Recreation	5.0	5.0	5.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Cemetery	8.0	8.0	8.0	8.0	8.0	8.0	9.0	9.0	10.0	10.0
Civic Center	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Tennis	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Softball Complex	3.0	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Lake Myrtle Sports Complex	4.0	6.0	6.0	9.0	9.0	9.0	11.0	11.0	13.0	14.0
Community Gym	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Total General Fund	134.5	135.5	138.5	136.5	138.5	144.5	147.0	147.5	157.5	166.5
ENTERPRISE FUND										
Public Utilities Admin	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	2.0	2.0
Utility Billing	6.0	6.0	6.0	6.0	6.0	6.0	6.5	6.5	7.0	7.5
Utilities Distribution	10.0	10.0	10.0	10.0	10.0	10.0	10.0	10.0	13.0	16.0
Water Plant	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Allred Wastewater	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	8.0	7.5
Regional Wastewater	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	7.0	6.5
Total Enterprise Fund	35.0	35.0	35.0	35.0	35.0	35.0	35.5	35.5	40.0	42.5
TOTAL STAFF	169.5	170.5	173.5	171.5	173.5	179.5	182.5	183.0	197.5	209.0

(1) Source: City of Auburndale payroll

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Calls for Service	24,220	26,895	27,400	27,050	29,262	25,859	27,577	26,102	29,564	24,300
Traffic Crashes	747	800	897	856	892	660	871	848	504	474
Traffic Violations	939	1,247	1,358	1,896	3,662	4,807	4,523	3,622	6,482	5,288
Code Enforcement Compliance (cases)	234	179	102	166	178	137	234	314	417	459
Fire & Rescue										
Number of Calls	2,472	3,223	3,521	3,625	3,765	3,740	4,335	5,223	5,540	5,482
Building Department										
Permits Issued	832	1,116	989	1,387	1,276	1,599	1,968	2,529	2,170	1,933
Inspections	3,104	3,530	2,731	3,505	4,436	6,777	9,878	16,515	14,268	12,531
Business Tax Receipts Issued	780	699	745	661	551	571	529	493	661	437
Parks and Recreation										
Summer Attendees	195	157	127	150	145	-	101	140	131	139
Library Visitations	143,775	132,514	113,864	112,238	112,371	103,055	170,146	191,243	203,251	195,577
Circulation	115,469	120,860	113,402	116,924	123,001	119,720	105,944	139,245	131,698	114,650
Facility Rentals	779	717	577	622	507	182	289	337	467	500
Athletic Facility Rentals	73	69	64	65	68	52	66	73	75	70
Cemetery plots sold	157	148	149	146	155	224	279	184	245	235
Solid Waste										
Refuse collected (Tons)	4,966	4,832	5,575	5,579	6,674	7,562	7,165	7,195	8,429	9,857
Brush collected (Tons)	4,008	4,418	5,099	5,028	3,023	3,527	3,016	2,969	2,921	2,126
Commercial Customers	220	214	221	229	257	256	256	262	499	494
Residential Customers	4,867	5,162	5,395	5,551	6,191	6,532	6,795	7,305	7,789	8,670
Public Works										
Street Resurfacing (Miles)	*	*	17.20	8.16	20.64	5.70	13.80	-	6.67	-
Water										
New Connections	199	233	113	131	351	623	620	794	842	525
Number of Customers	11,005	11,573	11,730	12,565	12,150	12,615	13,041	13,624	14,610	15,135
Wastewater										
New Connections	158	206	72	93	313	520	555	684	847	388
Number of Customers	7,647	8,035	8,235	8,336	8,512	9,091	9,484	10,096	10,944	11,392
Avg Daily Sewage Treatment (MGD)	2.1	2.0	1.8	2.0	2.0	2.3	2.2	2.5	2.6	3.1

* : Information not available

Source - City Departments

Auburndale, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Station	1	1	1	1	1	1	1	1	1	1
Patrol Cars	44	47	48	49	50	53	50	50	59	65
Trailers	5	5	5	5	5	5	5	5	6	6
Fire										
Stations	1	1	1	1	1	1	1	1	1	1
Fire Boat	1	1	1	1	1	1	1	1	1	1
Fire Trucks	12	12	11	11	11	10	10	9	9	9
Fire Vehicles, Other	5	5	5	5	7	7	7	7	7	7
Sanitation										
Collection Trucks	2	3	3	3	5	5	5	5	6	7
Streets										
Street Miles	116.75	116.75	116.75	118.51	118.51	126.71	126.71	126.71	126.71	132.41
Traffic Signals	2	2	2	2	2	2	2	2	2	2
Parks and Recreation										
Parks	12	12	12	12	12	12	12	12	12	12
Parks Acreage	35	35	35	35	35	35	35	35	35	35
Rental Facilities	8	8	8	8	8	8	8	8	8	6
Playgrounds	6	6	6	6	6	6	6	6	6	6
Boat Ramps	1	1	1	1	1	1	1	1	2	2
Museums	2	2	2	2	2	2	2	2	2	2
Library	1	1	1	1	1	1	1	1	1	1
Tennis Courts	8	8	8	8	8	8	8	8	8	8
Racquestball Courts	4	4	4	4	4	2	2	2	2	2
Baseball Fields	13	13	13	13	13	18	18	18	18	18
Basketball Courts	4	4	4	4	4	4	4	4	4	4
Softball Fields	7	7	7	7	7	7	7	7	7	7
Soccer Fields	11	11	11	11	11	11	11	11	11	11
Athletic Facility Acreage	182	182	182	182	182	217	217	217	217	217
Cemeteries	3	3	3	3	3	3	3	3	3	3
Cemetery Acreage	39	39	39	39	39	39	39	39	39	39
General Government										
Number of Buildings	4	4	4	4	4	4	4	4	5	5
Water										
Water Treatment Plants	3	3	3	3	3	3	3	3	3	3
Fire Hydrants *	433	437	442	445	448	508	565	1,203	1,219	1,236
Water Main Miles	149	153	159	165	167	170	180	194	201	218
Wastewater										
Waste Treatment Plants	2	2	2	2	2	2	2	2	2	2
Lift Stations	72	73	74	78	79	73	87	92	97	98
Sanitary Sewer Miles	54	57	62	68	70	73	83	96	103	118

* Beginning in fiscal 2022, fire hydrants were mapped on GIS and the figure is more accurate than 2021 and before.

Source - City Departments

Other Reports

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

Honorable Mayor and Members of the City Commission
City of Auburndale, 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 Auburndale, Florida (the City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated April 16, 2025.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
April 16, 2025

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

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

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

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards required that we plan and perform the examination to obtain reasonable assurance about whether the City of Auburndale, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether City of Auburndale, 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 we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, City of Auburndale, Florida complied, in all material respects, with the aforementioned requirements of Section 218.415, Florida Statutes for the year ended September 30, 2024.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
April 16, 2025

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH THE US DEPARTMENT OF TREASURY CORONAVIRUS STATE
AND LOCAL FISCAL RECOVERY FUNDS PROGRAM

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

We have examined the City of Auburndale, Florida's compliance with "activities allowed or unallowed" and "allowable cost/cost principles" (the specified requirements) as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)" of the CSLFRF section of the 2024 OMB Compliance Supplement (referred to herein as "Requirements for an Alternative CSLFRF Compliance Examination Engagement") during the year ended September 30, 2024. Management of City of Auburndale, Florida is responsible for City of Auburndale, Florida's compliance with the specified requirements. Our responsibility is to express an opinion on City of Auburndale, 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 (AICPA); the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in the "Requirements for an Alternative CSLFRF Compliance Examination Engagement." Those standards and requirements require that we plan and perform the examination to obtain reasonable assurance about whether the City of Auburndale, 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 Auburndale, 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 we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, City of Auburndale, Florida complied, in all material respects, with the specified requirements referenced above during the year ended September 30, 2024.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
April 16, 2025

MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the City of Auburndale, Florida as of and for the year ended September 30, 2024, and have issued our report thereon dated April 16, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued the following reports in connection with our audit.

- Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*.
- Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance with the requirements of Section 218.415, Florida Statutes in accordance with Chapter 10.550, Rules of the Auditor General.
- Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance with "activities allowed or unallowed" and "allowable cost/cost principles" as described in Part IV "Requirements for an Alternative Compliance Examination Engagement for Recipients That Would Otherwise be Required to Undergo a Single Audit or Program-Specific Audit as a Result of Receiving Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)" of the CSLFRF section of the 2024 OMB Compliance Supplement.

Disclosures in those reports, which are dated April 16, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. For the legal authority of the City of Auburndale, Florida and each component unit of the reporting entity, see footnote A of the summary of significant accounting policies in the notes to financial statements.

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 Auburndale, Florida has 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 of the financial statements of the City of Auburndale, Florida, we determined that the City of Auburndale, Florida did not meet any of the specified 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 Auburndale, Florida. It is management's responsibility to monitor the City of Auburndale, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Property Assessed Clean Energy (PACE) Programs

In accordance with Section 10.554(1)(i)6.a. of the Rules of the Auditor General, no property assessed clean energy (PACE) program—providing financing for qualifying improvements under Section 163.081 or Section 163.082, Florida Statutes—operated within the geographical boundaries of the City of Auburndale, Florida, during the fiscal year ended September 30, 2024.

Other Matters

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

Specific Information

Management has provided the specific information required by Section 218.39(3)(c), Florida Statutes in the separately published annual financial report of the City of Auburndale Community Redevelopment Agency for the year ended September 30, 2024.

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, members of the City Commission, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Brynjulfson CPA, P.A.

Brynjulfson CPA, P.A.
Auburndale, Florida
April 16, 2025