

CITY OF BROOKSVILLE, FLORIDA

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEAR ENDED SEPTEMBER 30, 2024



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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

City Council
City of Brooksville, Florida
Brooksville, 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 Brooksville, 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 (GAAS) 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 Auditors' 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.

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 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 City's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
November 8, 2025

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

The City of Brooksville's (City) management discussion and analysis is intended to provide a narrative introduction to the basic financial statements and an analytical overview of the City's financial activities for the fiscal year ended September 30, 2024.

Financial Highlights

- The assets and deferred outflows of resources of the City of Brooksville exceeded its liabilities and deferred inflows of resources at September 30, 2024 by \$61,656,774 (net position), an increase of \$2,905,140.
- As of September 30, 2024, the City of Brooksville's governmental funds reported combining ending fund balances of \$12,987,253 a decrease of \$2,416,170 from the previous fiscal year.
- General Fund reported ending fund balance of \$6,553,593, a decrease of \$3,142,707 from the previous fiscal year.
- Utility Fund net position increased from \$32,082,312 at the beginning of the fiscal year to \$33,963,408 at the end of the fiscal year.
- Sanitation Fund net position increased from \$1,554,567 at the beginning of the fiscal year to \$1,460,809 at the end of the fiscal year.

Using this Annual Report

The financial statements focus is on both the City as a whole (government-wide) and on the major individual funds. In this audit report, the financial statements are presented in compliance with pronouncement 34 of the Governmental Accounting Standards Board (GASB 34). The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, in a manner similar to private-sector statements. The focus is on governmental activities and business-type activities.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as net position. The focus of the Statement of Net Position is designed to present the 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 increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Government-Wide Financial Statements (Continued)

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year, focusing on both the gross and net costs of various activities, both governmental and business-type, that are supported by the governmental general taxes and other revenues. This is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy from various business-type activities.

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, streets, parks and recreation, and transportation. The business-type activities of the City consist of the water, sewer, and sanitation services. The business-type activities reflect a private sector type of operation where a fee for services covers the cost of operation.

The government-wide financial statements include the City of Brooksville (the primary government) and the blended component unit, City of Brooksville Community Redevelopment Agency.

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. The financial transactions of the City are recorded in individual funds and each fund has a self-balancing set of accounts. All 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.

The City maintains multiple funds; however certain funds are combined for presentation purposes as presented in these financial statements. Information is presented separately in the Balance Sheet and in the Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, City of Brooksville Community Redevelopment Agency, Fire Department Fund, Local Option Gas Tax Fund, and Road Impact Fees Fund, which are considered to be major funds. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in this report, immediately following the notes to the financial statements. Information is also presented separately in the Statement of Net Position and Statement of Revenues, Expenses, and Changes in Net Position for the Utility Fund and Sanitation Fund.

The City adopts an annual appropriated budget for its General Fund and other governmental funds. Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budget and are presented as required supplemental information.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Fund Financial Statements (Continued)

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial focus is 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. The General Fund is the chief operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds. The City maintains two types of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer, and sanitation services. Internal service funds are an accounting device used to accumulate and allocate costs internally among a government's various functions. The City utilizes internal service funds for its fleet maintenance operations, vehicle replacement, equipment replacement, employee benefits, and health insurance. Services accounted for in the internal service fund predominately benefit governmental rather than business-type functions, it has been allocated between the governmental activities and the business-type activities in the government-wide financial statements.

The proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

Fiduciary Funds. Fiduciary funds are used to account for resources that the City holds as a trustee or agent on behalf of an outside party. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The three fiduciary funds are Butterweck Bond Fund, Police Retirement Fund, and the Fireman's Retirement Fund.

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

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning budgetary comparisons and the City's progress in its obligation to provide pension and other postemployment benefits to its employees. Supplementary information, which consists of combining and individual fund statements, can be found immediately following the required supplementary information.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City's combined net position as of September 30, 2024 was \$61,656,774. Table 1 below reflects the condensed Statement of Net Position for the current and previous fiscal years.

Of the City's total net position, the net investment in capital assets is \$36,602,289 or 59% and represents capital assets such as land, buildings, and machinery, equipment, and right-to-use leased equipment less the outstanding debt used to acquire those assets. The City uses these assets to provide services to citizens; consequently, these assets are not available for future spending. It is also important to recognize that other resources will be required to repay the outstanding debt on capital assets. Restricted net position is \$7,404,628 or 12% of total net position and represents the amount of net position for which limitations have been placed by creditors, grantors, contributors, laws, and regulations. The remaining amount, unrestricted net position, is \$17,649,857 or 29% of total net position represents the amount that is not restricted or invested in capital assets, net of related debt.

**City of Brooksville, Florida
Net Position**

| Table 1 | <u>Governmental Activities</u> | | <u>Business-Type Activities</u> | | <u>Primary Government</u> | |
|--------------------------------|--------------------------------|----------------------|---------------------------------|----------------------|---------------------------|----------------------|
| | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> | <u>2024</u> | <u>2023</u> |
| Current and Other Assets | \$ 16,309,263 | \$ 18,767,260 | \$ 16,698,565 | \$ 16,604,248 | \$ 33,007,828 | \$ 35,371,508 |
| Capital Assets, Net of Deprec. | 18,351,787 | 14,613,709 | 27,836,096 | 27,710,062 | 46,187,883 | 42,323,771 |
| Total Assets | <u>34,661,050</u> | <u>33,380,969</u> | <u>44,534,661</u> | <u>44,314,310</u> | <u>79,195,711</u> | <u>77,695,279</u> |
| Deferred Outflows of Resources | 1,474,006 | 2,438,441 | 517,120 | 494,861 | 1,991,126 | 2,933,302 |
| Current and Other Liabilities | 1,860,029 | 1,888,111 | 1,285,642 | 1,409,770 | 3,145,671 | 3,297,881 |
| Long-Term Liabilities | 9,093,362 | 9,833,609 | 6,545,560 | 7,611,987 | 15,638,922 | 17,445,596 |
| Total Liabilities | <u>10,953,391</u> | <u>11,721,720</u> | <u>7,831,202</u> | <u>9,021,757</u> | <u>18,784,593</u> | <u>20,743,477</u> |
| Deferred Inflows of Resources | 833,403 | 949,102 | 252,918 | 184,368 | 1,086,321 | 1,133,470 |
| Net Position: | | | | | | |
| Net Investment in | | | | | | |
| Capital Assets | 13,252,314 | 12,599,279 | 22,962,999 | 21,548,570 | 36,215,313 | 34,147,849 |
| Restricted | 6,080,957 | 5,379,112 | 375,041 | 65,714 | 6,455,998 | 5,444,826 |
| Unrestricted | 5,014,991 | 5,170,197 | 13,629,621 | 13,988,762 | 18,644,612 | 19,158,959 |
| Total Net Position | <u>\$ 24,348,262</u> | <u>\$ 23,148,588</u> | <u>\$ 36,967,661</u> | <u>\$ 35,603,046</u> | <u>\$ 61,315,923</u> | <u>\$ 58,751,634</u> |

Changes in Net Position

Table 2 below is the condensed changes in net position. This schedule compares the revenues and expenses for the primary government for the current and previous fiscal years.

Table 2 shows the City's total governmental activities revenues decreased by \$625,740 over the prior year primarily due to a decrease in grants and contributions, charges for services related to building permits, impacts fees and other charges for services. Governmental activities expense increased \$280,804 over the prior year primary due to an increase in general government related to a rise in personnel and benefits and operating costs; and an increase in public safety related to changes in the net pension asset/liability and related balances for police and firefighters' pension plans. Other expenditures such as culture and recreation increased by \$112,949 and transportation by \$92,132.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position (Continued)

Table 2 shows the Business-type activities revenues increased \$135,738 primarily due to utility charges for services which increased \$1,113,749 and investment earnings which increased by \$213,118 with a offsetting decrease in grants and contributions of \$1,210,800. Business-type activities expenses increased \$417,206 primarily as a result of increases in utility and sanitation personnel services and operating costs.

**City of Brooksville, Florida
Changes in Net Position**

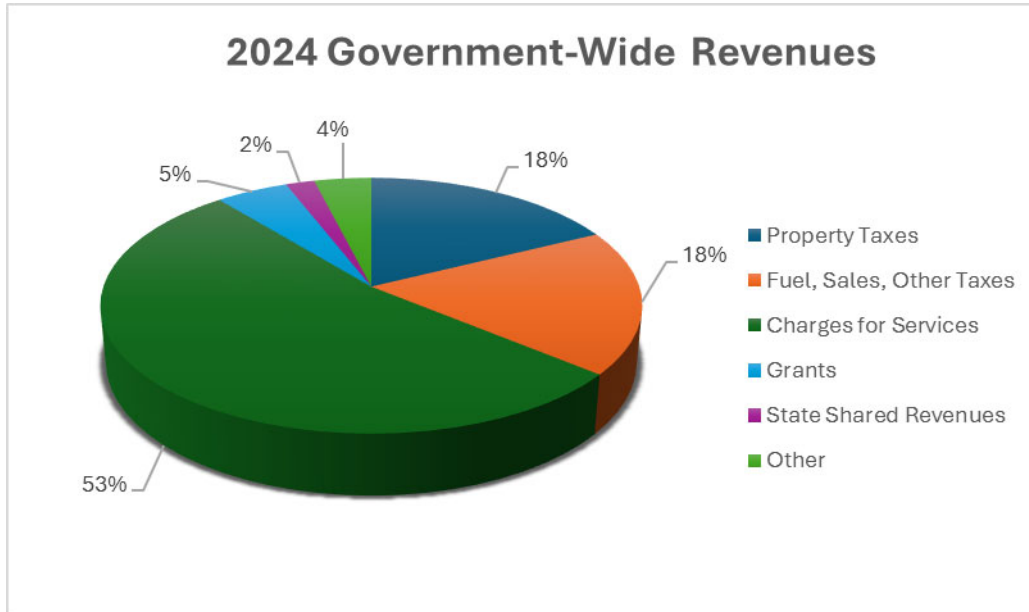
| Table 2 | Governmental Activities | | Business-Type Activities | | Total Primary Government | |
|------------------------------------|-------------------------|----------------------|--------------------------|----------------------|--------------------------|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Revenues: | | | | | | |
| Charges for Services | \$ 2,593,295 | \$ 2,859,443 | \$ 9,104,603 | \$ 8,283,032 | \$ 11,697,898 | \$ 11,142,475 |
| Operating Grants and Contributions | 1,064,392 | 2,149,929 | - | 985,223 | 1,064,392 | 3,135,152 |
| Capital Grants and Contributions | 46,289 | 20,000 | 21,619 | 247,196 | 67,908 | 267,196 |
| Property Taxes | 3,988,031 | 3,556,179 | - | - | 3,988,031 | 3,556,179 |
| Fuel Taxes | 454,894 | 453,214 | - | - | 454,894 | 453,214 |
| Sales Taxes | 671,103 | 675,718 | - | - | 671,103 | 675,718 |
| Other Taxes | 3,011,361 | 2,831,481 | - | - | 3,011,361 | 2,831,481 |
| State Shared Revenues | 448,364 | 446,957 | - | - | 448,364 | 446,957 |
| Investment Earning | 336,393 | 92,828 | 466,126 | 253,008 | 802,519 | 345,836 |
| Miscellaneous | 239,142 | 215,537 | - | - | 239,142 | 215,537 |
| Sale of Capital Assets | - | - | 19,671 | - | 19,671 | - |
| Total Revenues | 12,853,264 | 13,301,286 | 9,612,019 | 9,768,459 | 22,465,283 | 23,069,745 |
| Expenses: | | | | | | |
| General Government | 4,068,487 | 4,306,200 | - | - | 4,068,487 | 4,306,200 |
| Public Safety | 4,077,339 | 3,624,427 | - | - | 4,077,339 | 3,624,427 |
| Physical Environment | 374,176 | 378,248 | - | - | 374,176 | 378,248 |
| Economic Development | 239,516 | 360,397 | - | - | 239,516 | 360,397 |
| Transportation | 2,183,341 | 2,091,044 | - | - | 2,183,341 | 2,091,044 |
| Culture and Recreation | 1,126,999 | 1,013,852 | - | - | 1,126,999 | 1,013,852 |
| Interest on Long-Term Debt | 168,435 | 182,913 | - | - | 168,435 | 182,913 |
| Utility Fund | - | - | 5,553,493 | 5,362,451 | 5,553,493 | 5,362,451 |
| Sanitation Fund | - | - | 2,109,208 | 1,657,061 | 2,109,208 | 1,657,061 |
| Total Expenses | 12,238,293 | 11,957,081 | 7,662,701 | 7,019,512 | 19,900,994 | 18,976,593 |
| Change in Net Position | | | | | | |
| Before Transfers | 614,971 | 1,344,205 | 1,949,318 | 2,748,947 | 2,564,289 | 4,093,152 |
| Transfers | 584,703 | 584,703 | (584,703) | (584,703) | - | - |
| Change in Net Position | 1,199,674 | 1,928,908 | 1,364,615 | 2,164,244 | 2,564,289 | 4,093,152 |
| Net Position - Beginning of Year | 23,148,588 | 21,219,680 | 35,603,046 | 33,438,802 | 58,751,634 | 54,658,482 |
| Net Position - End of Year | \$ 24,348,262 | \$ 23,148,588 | \$ 36,967,661 | \$ 35,603,046 | \$ 61,315,923 | \$ 58,751,634 |

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

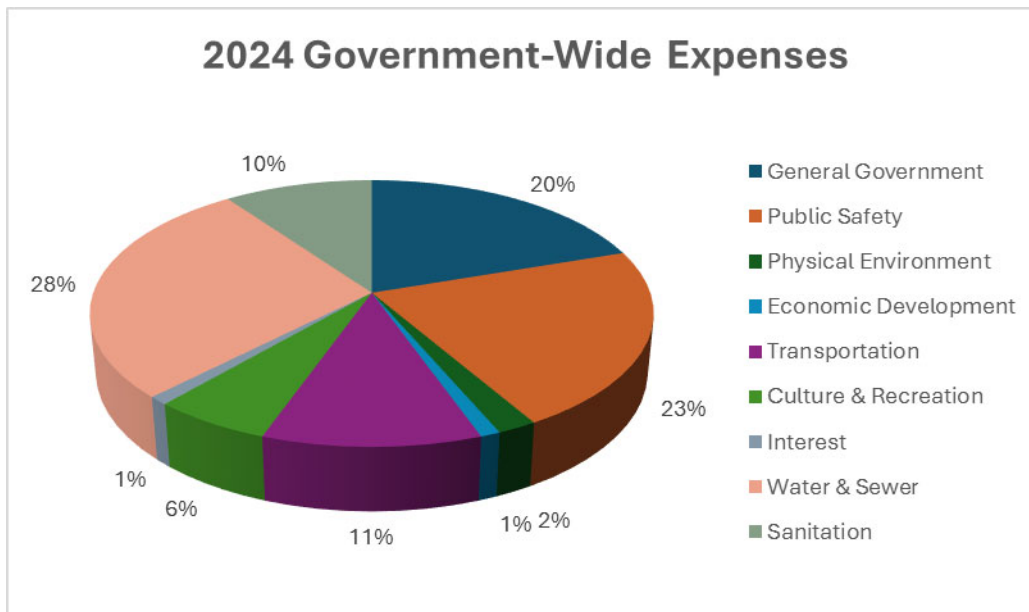
GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Changes in Net Position (Continued)

The pie chart below shows the 2024 Government-Wide revenues by major category.



The pie chart below shows the 2024 Government-Wide expenses by major category.



**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Governmental Funds

Governmental funds are comprised of the General Fund, special revenue funds, debt service funds, permanent funds and capital projects funds. Governmental funds use the current financial resources measurement focus that provides information on the near-term inflows, outflows, and balances of spendable resources.

There are five major governmental funds: General Fund, City of Brooksville Community Redevelopment Agency, Fire Department Fund, Local Option Gas Tax Fund, and Road Impact Fees Fund. There are also nonmajor governmental funds which are combined into a single, aggregated presentation. The General Fund is the chief operating fund of the City. It is used to account for all financial resources, except those required to be accounted for in another fund.

Total fund balance of all governmental funds was \$12,987,253 as compared to \$15,403,423 in the previous year, a decrease of \$2,416,170. General Fund ending fund balance was \$6,553,593, a decrease of \$3,142,707 from the prior year. CRA (Community Redevelopment Agency) ending fund balance was \$195,907, a decrease of \$67,610 from the prior year. Fire Department ending fund balance was \$27,083, a decrease of \$9,705 from the prior year. Local Option Gas Tax Fund ended with a balance of \$524,989, an increase of \$535,985 from the prior year deficit of \$10,996. Lastly, Road Impact Fees Fund ending fund balance was \$2,646,819, a decrease of \$114,880 from the prior year.

Proprietary Funds

The City's proprietary funds are comprised of enterprise funds and internal service funds. Enterprise funds are used to account for activities for which a fee is charged to external users for goods and services. Internal Service Funds provide services to other City departments.

The Utility Fund, which represents the City's water and sewer utility, experienced an increase in net position of \$1,588,918, leading to an ending net position of \$33,671,230. Of that amount, \$22,628,312 was the net investment in capital assets, \$375,041 was restricted for debt service, and \$10,667,877 was unrestricted.

The Sanitation Fund experienced a decrease in net position of \$142,431, resulting in an ending net position of \$1,412,136. Of that amount, \$676,155 was the net investment in capital assets and \$735,981 was unrestricted.

The Internal Service Funds report activities that provide a service to the City's other operations for vehicle maintenance, vehicle replacement, equipment replacement, and insurance. Internal service funds are combined with governmental activities in the government-wide statements since they primarily benefit governmental activities.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Capital Assets

The City's capital assets for its governmental and business-type activities as of September 30, 2024 amount to \$46,187,883 (net of accumulated depreciation/amortization). This investments in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment, and right-to-use leased equipment.

| | Governmental Activities | | Business-Type Activities | | Total | |
|--|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Land | \$ 1,510,978 | \$ 1,510,978 | \$ 1,195,931 | \$ 1,195,931 | \$ 2,706,909 | \$ 2,706,909 |
| Construction in Progress | 7,712,349 | 3,531,115 | 4,183,279 | 2,588,604 | 11,895,628 | 6,119,719 |
| Buildings | 7,047,223 | 7,047,223 | 480,702 | 480,702 | 7,527,925 | 7,527,925 |
| Improvements Other than Buildings | 9,167,460 | 9,167,460 | 53,751,327 | 53,751,327 | 62,918,787 | 62,918,787 |
| Machinery and Equipment | 6,467,786 | 6,210,256 | 5,462,628 | 5,447,103 | 11,930,414 | 11,657,359 |
| Right-to-Use Leased Equipment | 394,518 | 230,230 | - | - | 394,518 | 230,230 |
| Subscription Based Information Technology Arrangements | 174,087 | 131,410 | 65,749 | 65,749 | 239,836 | 197,159 |
| Total Capital Assets | 32,474,401 | 27,828,672 | 65,139,616 | 63,529,416 | 97,614,017 | 91,358,088 |
| Less: Accumulated Depreciation/Amortization | (14,122,614) | (13,214,963) | (37,303,520) | (35,815,245) | (51,426,134) | (49,030,208) |
| Total | \$ 18,351,787 | \$ 14,613,709 | \$ 27,836,096 | \$ 27,714,171 | \$ 46,187,883 | \$ 42,327,880 |

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

Long-Term Debt

The City's outstanding debt for its governmental and business-type activities as of September 30, 2024 amounted to \$7,590,937. Debt balances decreased due to regularly scheduled principal payments.

| | Governmental Activities | | Business-Type Activities | | Total | |
|-------------------|-------------------------|---------------------|--------------------------|---------------------|---------------------|---------------------|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Direct Placements | \$ 139,511 | \$ 154,634 | \$ 2,591,946 | \$ 3,292,666 | \$ 2,731,457 | \$ 3,447,300 |
| Direct Borrowings | 4,065,222 | 4,555,297 | 394,722 | 450,408 | 4,459,944 | 5,005,705 |
| Leases Payable | 293,565 | 195,402 | - | - | 293,565 | 195,402 |
| SBITAs Payable | 60,463 | 72,247 | 45,508 | 55,508 | 105,971 | 127,755 |
| Total | \$ 4,558,761 | \$ 4,977,580 | \$ 3,032,176 | \$ 3,798,582 | \$ 7,590,937 | \$ 8,776,162 |

Additional information on the City's long-term debt can be found in Note 6 of the notes to the basic financial statements.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Performance Measured Against Expectations (Budget)

General Fund revenues exceeded budget by \$1,812,849, excluding transfers in. The major differences were taxes and licenses and permits that exceeded budget. General Fund expenditures were under budget by \$1,167,308, excluding transfers out, primarily due to general government expenditures and capital outlay that came in \$145,599 and \$1,021,709, respectively, under budget. The total appropriated budget increased \$118,804 from original to final as a result of additional transfers in and unanticipated fines and forfeitures.

ECONOMIC FACTORS

The City of Brooksville, the County Seat of Hernando County, has experienced a period of growth over the last decade. The Greater Tampa metropolitan area is expanding northward, due in part to limited available land for development in the southern regions and the completion of the Suncoast Parkway toll road which links Tampa with the northern counties of Pasco, Hernando, and Citrus. As a result, new development is taking interest in Brooksville because of its ideal proximity to Tampa (50 miles), Orlando (55 miles), and Ocala (60 miles).

The annual estimates for the population of Brooksville were identified as being 9,100 which was used in the fiscal year 2023-2024 State Revenue Sharing calculations. The City of Brooksville's Community Development Department estimates that the City will experience growth in population of 16.8% over the next 10 years. This estimate is based on the 2010 U.S. Census, and the growth rate applied by the Southwest Florida Water Management District to 2011 community data sheet projections and the growth in the last decade within the City.

The current year gross taxable values applicable to FY24 is \$627,328,550 and FY23 is \$572,151,294. This is an increase in taxable values of \$55.2 million (9.6%). This growth reflects new construction, annexations, and rising property values. The City maintained its millage rate at 5.9000 mills for 2024. This stability in millage, combined with rising taxable values, supports incremental growth in ad valorem revenues.

Approximately ten years ago, the City expanded from about 5 square miles to approximately 10.68 square miles through voluntary annexations. These annexations significantly increased the acreage of taxable property within City boundaries. The City continues to strengthen its taxable property base by encouraging high-quality development and redevelopment projects, which are expected to enhance future revenue streams for decades to come.

Brooksville's strategic location and growing population have attracted national retailers and new commercial developments. The City maintains a competitive millage rate of 5.9000 mills, unchanged from the prior year, and continues its business-friendly policies, including the repeal of the Occupational Business License Tax in 2008. These measures, combined with infrastructure improvements, have positioned Brooksville as a desirable location for both residential and commercial growth.

Nationally franchised retailers operating in the City include Walmart, Lowe's Home Improvement, Tractor Supply, Publix, Winn-Dixie, Walgreens, CVS, Big Lots, WaWa, Culver's, Zaxby's, and numerous others. In addition, new restaurants and service businesses continue to open, reflecting Brooksville's changing demographics and economic vitality.

**CITY OF BROOKSVILLE, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

ECONOMIC FACTORS (CONTINUED)

2024 Millage Rate

Under Section 200.185, Florida Statutes, municipalities must adopt a tax levy within the limits permitted by law to retain eligibility for the half-cent sales tax distribution. If a municipality exceeds the maximum allowable millage, it risks losing this revenue source. By majority vote, the maximum millage rate is calculated as the rolled-back rate adjusted for the change in per capita Florida personal income (1.0613% for 2023). For FY24, the City of Brooksville's maximum rate by majority vote was 14.1906 mills, and the two-thirds vote maximum was 15.6097 mills, both exceeding the statutory cap of 10 mills. The City complied with these requirements and retained its half-cent sales tax distribution. For FY24, the City adopted a millage rate of 5.9000 mills, unchanged from FY23. The current year rolled-back rate was 5.4539 mills, which is lower than the adopted rate. The rolled-back rate is a tax rate the county property appraiser determines is necessary to give a governmental agency the same amount of property tax dollars it received during the previous budget year.

Next Year's Budget and Rates

the following known facts that will affect operations revenues and expenses are as follows:

- 1) The City adopted a millage rate of 5.9000 mills for FY2025, unchanged from FY2024. The rolled-back rate for FY2025 is 5.5772 mills, meaning the adopted rate represents a 5.79% increase over the rolled-back rate. This, combined with a gross taxable value increase to \$739.9 million (up from \$682.1 million in FY2024), will result in higher ad valorem revenues without raising the millage rate.
- 2) The City approved adjustments to utility fees and wastewater connection charges in 2025 to address budget shortfalls and fund infrastructure expansion. These changes, the first in over two decades, aim to recover actual service costs and support capital improvements for water and sewer systems.
- 3) Ordinance provisions for reclaimed water service remain in effect, and the City anticipates increased participation in its reuse water program. This initiative will generate additional revenue for the utility system and promote sustainable water use.
- 4) The City entered into an interlocal agreement with Hernando County to consolidate fire rescue services effective October 1, 2025. A supplemental pension agreement ensures compliance with Florida statutes and protects employee benefits, but may impact future pension funding requirements.

Acknowledgements

The preparation of this report could not be accomplished without the dedicated services of the entire staff of the Finance Department. Appreciation is also extended to the Mayor and City Council and the City Manager and Department Heads for their continuous commitment to the highest ethical standards in financial reporting and disclosure.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all of those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Finance Director, City of Brooksville, 201 Howell Avenue, Brooksville, Florida 34601.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

| | Primary Government | | Total |
|---|----------------------------|-----------------------------|----------------------|
| | Governmental Activities | Business-Type Activities | |
| ASSETS | | | |
| Pooled Cash and Investments | \$ 16,962,363 | \$ 12,334,073 | \$ 29,296,436 |
| Accounts Receivable, Net | 218,598 | 1,190,950 | 1,409,548 |
| Internal Balances | (1,825,907) | 1,825,907 | - |
| Due from Other Governments | 537,756 | 129,787 | 667,543 |
| Inventory - Supplies | 2,493 | 250,450 | 252,943 |
| Prepaid Items | 83,101 | - | 83,101 |
| Restricted Assets: | | | |
| Cash and Investments | 330,859 | 967,398 | 1,298,257 |
| Capital Assets Not Being Depreciated/Amortized | 9,223,327 | 5,379,210 | 14,602,537 |
| Capital Assets Net of Accumulated Depreciation/Amortization | 9,128,460 | 22,456,886 | 31,585,346 |
| Total Assets | <u>34,661,050</u> | <u>44,534,661</u> | <u>79,195,711</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Pension Related Items | 1,424,273 | 507,647 | 1,931,920 |
| OPEB Related Items | 49,733 | 9,473 | 59,206 |
| Total Deferred Outflows of Resources | <u>1,474,006</u> | <u>517,120</u> | <u>1,991,126</u> |
| LIABILITIES | | | |
| Accounts Payable | 1,066,962 | 275,250 | 1,342,212 |
| Accrued Interest Payable | 2,265 | 159,092 | 161,357 |
| Accrued Wages Payable | 143,967 | 56,271 | 200,238 |
| Deposits | 110,451 | 789,538 | 899,989 |
| Other Current Liabilities | 218,768 | 5,491 | 224,259 |
| Unearned Revenue | 317,616 | - | 317,616 |
| Noncurrent Liabilities: | | | |
| Due Within One Year: | | | |
| Accrued Compensated Absences | 73,946 | 22,819 | 96,765 |
| Leases Payable | 94,266 | - | 94,266 |
| Subscriptions Payable | 28,041 | 10,000 | 38,041 |
| Notes Payable | 509,325 | 56,974 | 566,299 |
| Revenue Bonds Payable | 16,268 | 718,140 | 734,408 |
| Due in More Than One Year: | | | |
| Accrued Compensated Absences | 110,591 | 46,484 | 157,075 |
| Leases Payable | 199,299 | - | 199,299 |
| Subscriptions Payable | 32,422 | 35,508 | 67,930 |
| Notes Payable | 3,555,897 | 337,748 | 3,893,645 |
| Revenue Bonds Payable | 123,243 | 1,873,806 | 1,997,049 |
| Net Pension Liability | 3,963,188 | 1,540,235 | 5,503,423 |
| Total OPEB Liability | 386,876 | 73,691 | 460,567 |
| Other Long-Term Liabilities | - | 1,830,155 | 1,830,155 |
| Total Liabilities | <u>10,953,391</u> | <u>7,831,202</u> | <u>18,784,593</u> |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Pension Related Items | 628,098 | 213,813 | 841,911 |
| OPEB Related Items | 205,305 | 39,105 | 244,410 |
| Total Deferred Inflows of Resources | <u>833,403</u> | <u>252,918</u> | <u>1,086,321</u> |
| NET POSITION | | | |
| Net Investment in Capital Assets | 13,252,314 | 22,962,999 | 36,215,313 |
| Restricted: | | | |
| Transportation | 1,713,570 | - | 1,713,570 |
| Public Safety | 598,229 | - | 598,229 |
| Community Redevelopment | 145,918 | - | 145,918 |
| Infrastructure | 3,292,815 | - | 3,292,815 |
| Debt Service | 82,468 | - | 82,468 |
| Capital Projects | 2,749 | - | 2,749 |
| Utility Debt Service | - | 375,041 | 375,041 |
| Nonexpendable | 245,208 | - | 245,208 |
| Unrestricted | 5,014,991 | 13,629,621 | 18,644,612 |
| Total Net Position | <u>\$ 24,348,262</u> | <u>\$ 36,967,661</u> | <u>\$ 61,315,923</u> |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

| Functional/Program Activities | Expenses | Program Revenues | | | Net Revenue (Expense) and Changes in Net Position | | Total |
|--|----------------------|-------------------------|--|--|--|-----------------------------|----------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-Type Activities | |
| GOVERNMENTAL ACTIVITIES: | | | | | | | |
| Primary Government: | | | | | | | |
| General Government | \$ 4,068,487 | \$ 491,500 | \$ 868,733 | \$ - | \$ (2,708,254) | \$ - | \$ (2,708,254) |
| Public Safety | 4,077,339 | 1,732,466 | - | 26,289 | (2,318,584) | - | (2,318,584) |
| Physical Environment | 374,176 | - | - | - | (374,176) | - | (374,176) |
| Economic Development | 239,516 | - | - | - | (239,516) | - | (239,516) |
| Transportation | 2,183,341 | 166,595 | 195,659 | - | (1,821,087) | - | (1,821,087) |
| Culture and Recreation | 1,126,999 | 202,734 | - | 20,000 | (904,265) | - | (904,265) |
| Debt Service Interest on Long-Term Debt | 168,435 | - | - | - | (168,435) | - | (168,435) |
| Total Governmental Activities | <u>12,238,293</u> | <u>2,593,295</u> | <u>1,064,392</u> | <u>46,289</u> | <u>(8,534,317)</u> | <u>-</u> | <u>(8,534,317)</u> |
| Business-Type Activities: | | | | | | | |
| Utility | 5,553,493 | 7,107,192 | - | 21,619 | - | 1,575,318 | 1,575,318 |
| Sanitation | 2,109,208 | 1,997,411 | - | - | - | (111,797) | (111,797) |
| Total Business-Type Activities | <u>7,662,701</u> | <u>9,104,603</u> | <u>-</u> | <u>21,619</u> | <u>-</u> | <u>1,463,521</u> | <u>1,463,521</u> |
| Total Primary Government | <u>\$ 19,900,994</u> | <u>\$ 11,697,898</u> | <u>\$ 1,064,392</u> | <u>\$ 67,908</u> | <u>(8,534,317)</u> | <u>1,463,521</u> | <u>(7,070,796)</u> |
| GENERAL REVENUES: | | | | | | | |
| Taxes: | | | | | | | |
| Property Taxes | | | | | 3,988,031 | - | 3,988,031 |
| Utility Taxes | | | | | 2,063,032 | - | 2,063,032 |
| Fuel Taxes | | | | | 454,894 | - | 454,894 |
| Franchise Taxes | | | | | 937,290 | - | 937,290 |
| Sales Taxes | | | | | 671,103 | - | 671,103 |
| Other Taxes | | | | | 11,039 | - | 11,039 |
| State Shared Revenue | | | | | 448,364 | - | 448,364 |
| Investment Earnings | | | | | 336,393 | 466,126 | 802,519 |
| Miscellaneous | | | | | 239,142 | - | 239,142 |
| Gain on Sale of Capital Assets | | | | | - | 19,671 | 19,671 |
| TRANSFERS, NET | | | | | <u>584,703</u> | <u>(584,703)</u> | <u>-</u> |
| Total General Revenues and Transfers | | | | | <u>9,733,991</u> | <u>(98,906)</u> | <u>9,635,085</u> |
| CHANGE IN NET POSITION | | | | | 1,199,674 | 1,364,615 | 2,564,289 |
| Net Position - Beginning of Year | | | | | <u>23,148,588</u> | <u>35,603,046</u> | <u>58,751,634</u> |
| NET POSITION - END OF YEAR | | | | | <u>\$ 24,348,262</u> | <u>\$ 36,967,661</u> | <u>\$ 61,315,923</u> |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

| | General Fund | City of Brooksville Community Redevelopment Agency | Fire Department Fund | Local Option Gas Tax Fund | Road Impact Fees Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|---|----------------------------|------------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| ASSETS | | | | | | | |
| Pooled Cash and Investments | \$ 7,181,940 | \$ 195,907 | \$ 119,399 | \$ 620,965 | \$ 2,743,388 | \$ 2,675,018 | \$ 13,536,617 |
| Restricted Pooled Cash and Investments | - | - | - | - | - | 339,081 | 339,081 |
| Accounts Receivable | 218,238 | - | 360 | - | - | - | 218,598 |
| Advance to Other Funds | 58,388 | - | - | - | - | - | 58,388 |
| Due from Other Governments | 264,484 | - | 12,841 | 230,040 | - | 30,391 | 537,756 |
| Inventory - Supplies | 2,493 | - | - | - | - | - | 2,493 |
| Prepaid Items | 58,390 | - | - | - | - | - | 58,390 |
| Total Assets | \$ 7,783,933 | \$ 195,907 | \$ 132,600 | \$ 851,005 | \$ 2,743,388 | \$ 3,044,490 | \$ 14,751,323 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | | |
| LIABILITIES | | | | | | | |
| Accounts Payable | \$ 575,242 | \$ - | \$ 28,554 | \$ 287,886 | \$ 79,498 | \$ 4,214 | \$ 975,394 |
| Accrued Wages Payable | 58,476 | - | 51,531 | 30,378 | - | - | 140,385 |
| Unearned Revenue | 292,673 | - | 18,750 | - | 4,779 | 1,414 | 317,616 |
| Deposits | 110,451 | - | - | - | - | - | 110,451 |
| Other Liabilities | 193,498 | - | 6,682 | 7,752 | 12,292 | - | 220,224 |
| Total Liabilities | 1,230,340 | - | 105,517 | 326,016 | 96,569 | 5,628 | 1,764,070 |
| FUND BALANCES | | | | | | | |
| Nonspendable | 119,271 | - | - | - | - | 253,430 | 372,701 |
| Restricted | - | 140,907 | 27,083 | 524,989 | 2,646,819 | 2,495,953 | 5,835,751 |
| Committed | - | - | - | - | - | 14,228 | 14,228 |
| Assigned | - | 55,000 | - | - | - | 275,251 | 330,251 |
| Unassigned (Deficit) | 6,434,322 | - | - | - | - | - | 6,434,322 |
| Total Fund Balances | 6,553,593 | 195,907 | 27,083 | 524,989 | 2,646,819 | 3,038,862 | 12,987,253 |
| Total Liabilities, Deferred Inflows of Resources, and Fund Balances | \$ 7,783,933 | \$ 195,907 | \$ 132,600 | \$ 851,005 | \$ 2,743,388 | \$ 3,044,490 | \$ 14,751,323 |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024**

Fund Balances - Total Governmental Funds \$ 12,987,253

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

| | | |
|---|---------------------|------------|
| Cost of Capital Assets | 29,769,327 | |
| Less: Accumulated Depreciation/Amortization | <u>(12,116,707)</u> | 17,652,620 |

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. Balances at year-end are:

| | | |
|-----------------------|------------------|-------------|
| Compensated Absences | (182,236) | |
| Leases Payable | - | |
| Subscriptions Payable | (60,463) | |
| Notes Payable | (4,065,222) | |
| Bonds Payable | <u>(139,511)</u> | (4,447,432) |

Net pension liability is not due and payable in the current period, therefore the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances at year-end are:

| | | |
|--|------------------|-------------|
| Net Pension Liability | (3,963,188) | |
| Deferred Outflows of Resources - Pension Related | 1,424,273 | |
| Deferred Inflows of Resources - Pension Related | <u>(628,098)</u> | (3,167,013) |

Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances at year-end are:

| | | |
|---------------------------------------|------------------|-----------|
| Total OPEB Liability | (386,876) | |
| Deferred Outflows of Resources - OPEB | 49,733 | |
| Deferred Inflows of Resources - OPEB | <u>(205,305)</u> | (542,448) |

Internal service funds are used by management to charge the costs of certain activities to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position.

1,865,282

Net Position of Governmental Activities \$ 24,348,262

CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

| | General Fund | City of Brooksville Community Redevelopment Agency | Fire Department Fund | Local Option Gas Tax Fund | Road Impact Fees Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|--|---------------------|--|----------------------------|------------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| REVENUES | | | | | | | |
| Taxes | \$ 5,879,210 | \$ 171,853 | \$ 1,051,105 | \$ 269,341 | \$ - | \$ 185,553 | \$ 7,557,062 |
| Licenses and Permits | 1,517,907 | - | - | - | 602 | 239,939 | 1,758,448 |
| Intergovernmental Revenue | 1,795,467 | - | 38,094 | 331,205 | - | - | 2,164,766 |
| Charges for Services | 390,264 | - | 28,217 | - | - | - | 418,481 |
| Fines and Forfeitures | 42,916 | - | 40 | - | - | 39,460 | 82,416 |
| Net Investment Earnings | 121,897 | 18 | - | - | 103,388 | 23,885 | 249,188 |
| Miscellaneous Revenues | 279,394 | 35 | 8,857 | 232,295 | - | 11,577 | 532,158 |
| Total Revenues | <u>10,027,055</u> | <u>171,906</u> | <u>1,126,313</u> | <u>832,841</u> | <u>103,990</u> | <u>500,414</u> | <u>12,762,519</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | 3,776,857 | - | - | - | - | - | 3,776,857 |
| Culture and Recreation | 843,333 | - | - | - | - | 92,884 | 936,217 |
| Public Safety | 1,220,380 | - | 2,186,082 | - | - | 8,900 | 3,415,362 |
| Physical Environment | 280,439 | - | - | - | - | - | 280,439 |
| Economic Development | - | 239,516 | - | - | - | - | 239,516 |
| Transportation | - | - | - | 1,837,121 | - | - | 1,837,121 |
| Capital Outlay | 4,007,740 | - | 72,915 | 291,063 | 218,870 | - | 4,590,588 |
| Debt Service: | | | | | | | |
| Principal | 241,209 | - | 19,105 | 17,863 | - | 283,357 | 561,534 |
| Interest | 119,304 | - | 5,860 | 2,407 | - | 40,864 | 168,435 |
| Total Expenditures | <u>10,489,262</u> | <u>239,516</u> | <u>2,283,962</u> | <u>2,148,454</u> | <u>218,870</u> | <u>426,005</u> | <u>15,806,069</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (462,207) | (67,610) | (1,157,649) | (1,315,613) | (114,880) | 74,409 | (3,043,550) |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| SBITAs | 42,677 | - | - | - | - | - | 42,677 |
| Transfers In | 324,507 | - | 1,155,502 | 1,853,281 | - | 650,554 | 3,983,844 |
| Transfers Out | (3,047,684) | - | (7,558) | (1,683) | - | (342,216) | (3,399,141) |
| Total Other Financing Sources (Uses) | <u>(2,680,500)</u> | <u>-</u> | <u>1,147,944</u> | <u>1,851,598</u> | <u>-</u> | <u>308,338</u> | <u>627,380</u> |
| NET CHANGE IN FUND BALANCES | (3,142,707) | (67,610) | (9,705) | 535,985 | (114,880) | 382,747 | (2,416,170) |
| Fund Balances - Beginning of Year | <u>9,696,300</u> | <u>263,517</u> | <u>36,788</u> | <u>(10,996)</u> | <u>2,761,699</u> | <u>2,656,115</u> | <u>15,403,423</u> |
| FUND BALANCES - END OF YEAR | <u>\$ 6,553,593</u> | <u>\$ 195,907</u> | <u>\$ 27,083</u> | <u>\$ 524,989</u> | <u>\$ 2,646,819</u> | <u>\$ 3,038,862</u> | <u>\$ 12,987,253</u> |

See accompanying Notes to Financial Statements.

CITY OF BROOKSVILLE, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

Net Changes in Fund Balances - Total Governmental Funds \$ (2,416,170)

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is depreciated/amortized over their estimated useful lives.

| | | |
|--|------------------|-----------|
| Capital Outlay | \$ 4,590,588 | |
| Less: Current Year Depreciation/Amortization | <u>(844,686)</u> | 3,745,902 |

Long-term liabilities are reported in the statement of net position but not in the governmental funds because they are not due and payable in the current period. This is the effect of these differences in the treatment of long-term debt and related items.

| | | |
|--|---------------|---------|
| SBITA | (42,677) | |
| Principal Repayments - Leases Payable | 3,146 | |
| Principal Repayments - Subscriptions Payable | 54,461 | |
| Principal Repayments - Notes Payable | 490,075 | |
| Principal Repayments - Bonds Payable | <u>15,123</u> | 520,128 |

Governmental funds report revenues from deferred inflows of resources in prior periods that are available in the current period. However, these inflows are not reported as revenues in the statement of activities.

Intergovernmental Revenue

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the funds. The amounts below represent the change in these accounts

| | | |
|--------------------------------|--|--------|
| Change in Compensated Absences | | 76,107 |
|--------------------------------|--|--------|

Changes in net pension liability and related pension amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

(516,365)

Changes in total other postemployment benefits (OPEB) liability and related OPEB amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

(97,762)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net income of the internal service fund is reported with governmental activities.

(112,166)

Change in Net Position of Governmental Activities \$ 1,199,674

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024**

| | Business-Type Activities | | Total | Governmental |
|---|--------------------------|--------------------|-------------------|--|
| | Utility Fund | Sanitation Fund | | Activities - Internal Service Fund |
| ASSETS | | | | |
| Current Assets: | | | | |
| Pooled Cash and Investments | \$ 11,211,027 | \$ 1,123,046 | \$ 12,334,073 | \$ 3,417,524 |
| Accounts Receivable, Net | 949,117 | 241,833 | 1,190,950 | - |
| Due from Other Governments | 129,787 | - | 129,787 | - |
| Due from Other Funds | - | 292,178 | 292,178 | - |
| Inventory - Supplies | 250,450 | - | 250,450 | - |
| Prepaid Items | - | - | - | 24,711 |
| Total Current Assets | <u>12,540,381</u> | <u>1,657,057</u> | <u>14,197,438</u> | <u>3,442,235</u> |
| Noncurrent Assets: | | | | |
| Restricted Assets: | | | | |
| Cash and Investments | 967,398 | - | 967,398 | - |
| Capital Assets, Net: | | | | |
| Land | 1,148,911 | 47,020 | 1,195,931 | - |
| Construction in Progress | 4,183,279 | - | 4,183,279 | - |
| Building | 163,414 | 317,288 | 480,702 | - |
| Improvement Other than Building | 53,694,287 | 57,040 | 53,751,327 | - |
| Machinery and Equipment | 3,707,249 | 1,755,379 | 5,462,628 | 2,310,558 |
| Right-to-Use Lease Assets | - | - | - | 394,518 |
| Subscription-Based Information | | | | |
| Technology Arrangements | 45,444 | 20,305 | 65,749 | - |
| Total Capital Assets | <u>62,942,584</u> | <u>2,197,032</u> | <u>65,139,616</u> | <u>2,705,076</u> |
| Less: Accumulated Depreciation and Amortization | <u>35,455,846</u> | <u>1,847,674</u> | <u>37,303,520</u> | <u>2,005,906</u> |
| Net Capital Assets | <u>27,486,738</u> | <u>349,358</u> | <u>27,836,096</u> | <u>699,170</u> |
| Total Noncurrent Assets | <u>28,454,136</u> | <u>349,358</u> | <u>28,803,494</u> | <u>699,170</u> |
| Total Assets | 40,994,517 | 2,006,415 | 43,000,932 | 4,141,405 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | |
| Pension Related Items | 328,295 | 179,352 | 507,647 | - |
| OPEB Related Items | 1,776 | 7,697 | 9,473 | - |
| Total Deferred Outflows of Resources | <u>330,071</u> | <u>187,049</u> | <u>517,120</u> | <u>-</u> |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
SEPTEMBER 30, 2024**

| | Business-Type Activities | | Total | Governmental |
|--|--------------------------|--------------------|---------------|--|
| | Utility Fund | Sanitation Fund | | Activities - Internal Service Fund |
| LIABILITIES | | | | |
| Current Liabilities: | | | | |
| Accounts Payable | \$ 212,152 | \$ 63,098 | \$ 275,250 | \$ 91,568 |
| Accrued Interest Payable | 159,092 | - | 159,092 | - |
| Accrued Wages Payable | 37,915 | 18,356 | 56,271 | 3,582 |
| Deposits | 789,538 | - | 789,538 | - |
| Due to Other Funds | 292,178 | - | 292,178 | - |
| Accrued Compensated Absences - Current | 15,753 | 7,066 | 22,819 | 2,301 |
| Note Payable - Due within One Year | 56,974 | - | 56,974 | - |
| Bond Payable - Due within One Year | 718,140 | - | 718,140 | - |
| Other Current Liabilities | - | 5,491 | 5,491 | 809 |
| Leases Payable | - | - | - | 94,266 |
| Subscriptions Payable | 6,912 | 3,088 | 10,000 | - |
| Total Current Liabilities | 2,288,654 | 97,099 | 2,385,753 | 192,526 |
| Noncurrent Liabilities: | | | | |
| Accrued Compensated Absences | 25,153 | 21,331 | 46,484 | - |
| Advance from Other Funds | 58,388 | - | 58,388 | - |
| Notes Payable | 337,748 | - | 337,748 | - |
| Bond Payable | 1,873,806 | - | 1,873,806 | - |
| Net Pension Liability | 1,022,375 | 517,860 | 1,540,235 | - |
| Total OPEB Liability | 13,817 | 59,874 | 73,691 | - |
| Other Long-Term Liabilities | 1,830,155 | - | 1,830,155 | - |
| Lease Payable | - | - | - | 199,302 |
| Subscriptions Payable | 24,542 | 10,966 | 35,508 | - |
| Total Noncurrent Liabilities | 5,185,984 | 610,031 | 5,796,015 | 199,302 |
| Total Liabilities | 7,474,638 | 707,130 | 8,181,768 | 391,828 |
| DEFERRED INFLOWS OF RESOURCES | | | | |
| Pension Related Items | 171,388 | 42,425 | 213,813 | - |
| OPEB Related Items | 7,332 | 31,773 | 39,105 | - |
| Total Deferred Inflows of Resources | 178,720 | 74,198 | 252,918 | - |
| NET POSITION | | | | |
| Net Investment in Capital Assets | 22,627,695 | 335,304 | 22,962,999 | 405,602 |
| Restricted for Debt Service | 375,041 | - | 375,041 | - |
| Unrestricted | 10,668,494 | 1,076,832 | 11,745,326 | 3,343,975 |
| Total Net Position | \$ 33,671,230 | \$ 1,412,136 | 35,083,366 | \$ 3,749,577 |
| Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds | | | 1,884,295 | |
| Net Position of Business-Type Activities | | | \$ 36,967,661 | |

See accompanying Notes to Financial Statements.

CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

| | Business-Type Activities | | Total | Governmental |
|---|--------------------------|--------------------|--------------|--|
| | Utility Fund | Sanitation Fund | | Activities - Internal Service Fund |
| OPERATING REVENUES | | | | |
| Charges for Services | \$ 6,994,143 | \$ 1,881,314 | \$ 8,875,457 | \$ 1,604,528 |
| Miscellaneous Revenues | 113,049 | 116,097 | 229,146 | 9,851 |
| Total Operating Revenues | 7,107,192 | 1,997,411 | 9,104,603 | 1,614,379 |
| OPERATING EXPENSES | | | | |
| Personal Services | 1,416,332 | 855,793 | 2,272,125 | 1,614,611 |
| Other Services and Charges | 2,295,212 | 1,096,796 | 3,392,008 | 78,963 |
| Depreciation | 1,644,773 | 55,221 | 1,699,994 | 205,588 |
| Total Operating Expenses | 5,356,317 | 2,007,810 | 7,364,127 | 1,899,162 |
| OPERATING INCOME (LOSS) | 1,750,875 | (10,399) | 1,740,476 | (284,783) |
| NONOPERATING REVENUES (EXPENSES) | | | | |
| Net Investment Earnings | 454,277 | 11,849 | 466,126 | 86,973 |
| Interest Expense | (143,149) | (779) | (143,928) | - |
| Gain (Loss) on Sale of Capital Assets | - | (53,103) | (53,103) | 3,772 |
| Total Nonoperating Revenues (Expenses) | 311,128 | (42,033) | 269,095 | 90,745 |
| INCOME BEFORE CONTRIBUTIONS AND TRANSFERS | 2,062,003 | (52,432) | 2,009,571 | (194,038) |
| CONTRIBUTIONS AND TRANSFERS | | | | |
| Capital Grants and Contributions | 21,619 | | 21,619 | - |
| Transfers Out | (494,704) | (89,999) | (584,703) | - |
| Total Contributions and Transfers | (473,085) | (89,999) | (563,084) | - |
| CHANGE IN NET POSITION | 1,588,918 | (142,431) | 1,446,487 | (194,038) |
| Net Position - Beginning of Year | 32,082,312 | 1,554,567 | | 3,943,615 |
| NET POSITION - END OF YEAR | \$ 33,671,230 | \$ 1,412,136 | | \$ 3,749,577 |
| Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds. | | | (81,872) | |
| CHANGE IN POSITION OF BUSINESS-TYPE ACTIVITIES | | | \$ 1,364,615 | |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

| | Business-Type Activities | | Total | Governmental Activities - Internal Service Fund |
|---|--------------------------|---------------------|----------------------|--|
| | Utility Fund | Sanitation Fund | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Receipts from Customers | \$ 7,034,531 | \$ 2,057,490 | \$ 9,092,021 | \$ 1,614,379 |
| Payments to Employees | (1,424,714) | (828,087) | (2,252,801) | (1,594,967) |
| Payments to Suppliers | (2,378,972) | (1,072,781) | (3,451,753) | (67,328) |
| Net Cash Provided (Used) by Operating Activities | 3,230,845 | 156,622 | 3,387,467 | (47,916) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | | | |
| Advances From Other Funds | (3,072) | - | (3,072) | - |
| Transfers to Other Funds | (494,704) | (89,999) | (584,703) | - |
| Net Cash Used by Noncapital Financing Activities | (497,776) | (89,999) | (587,775) | - |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | |
| Capital Grants and Contributions | 187,727 | - | 187,727 | - |
| Acquisition and Construction of Capital Assets | (2,067,210) | (390,589) | (2,457,799) | (16,641) |
| Proceeds from Sale of Assets | - | 19,671 | 19,671 | 3,772 |
| Insurance Proceeds | 292,178 | - | 292,178 | - |
| Principal Paid on Long-Term Debt | (763,318) | (3,088) | (766,406) | (79,818) |
| Interest Paid | (104,585) | (779) | (105,364) | - |
| Net Cash Used by Capital and Related Financing Activities | (2,455,208) | (374,785) | (2,829,993) | (92,687) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest and Dividends | 454,277 | 11,849 | 466,126 | 86,973 |
| Net Cash Provided by Investing Activities | 454,277 | 11,849 | 466,126 | 86,973 |
| NET INCREASE (DECREASE) IN POOLED CASH AND INVESTMENTS | 732,138 | (296,313) | 435,825 | (53,630) |
| Cash and Cash Equivalents - Beginning of Year | 11,446,287 | 1,419,359 | 12,865,646 | 3,471,154 |
| CASH AND CASH EQUIVALENTS - END OF YEAR | <u>\$ 12,178,425</u> | <u>\$ 1,123,046</u> | <u>\$ 13,301,471</u> | <u>\$ 3,417,524</u> |
| REPORTED IN THE STATEMENT OF NET POSITION AS: | | | | |
| Pooled Cash and Investments | \$ 11,211,027 | \$ 1,123,046 | \$ 12,334,073 | \$ 3,417,524 |
| Restricted Cash and Investments | 967,398 | - | 967,398 | - |
| Total Cash and Cash Equivalents | <u>\$ 12,178,425</u> | <u>\$ 1,123,046</u> | <u>\$ 13,301,471</u> | <u>\$ 3,417,524</u> |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

| | Business-Type Activities | | Total | Governmental |
|--|--------------------------|--------------------|---------------------|--|
| | Utility Fund | Sanitation Fund | | Activities - Internal Service Fund |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | | | |
| Operating Income (Loss) | \$ 1,750,875 | \$ (10,399) | \$ 1,740,476 | \$ (284,783) |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | |
| Depreciation | 1,644,773 | 55,221 | 1,699,994 | 205,589 |
| (Increase) Decrease in Assets: | | | | |
| Accounts Receivable | 107,779 | 51,085 | 158,864 | - |
| Due from Other Governments | - | 8,994 | 8,994 | - |
| Inventories | (71,258) | - | (71,258) | - |
| Deferred Outflows of Pension Related Items | (14,305) | (22,134) | (36,439) | - |
| Deferred Outflows of OPEB Related Items | 15,773 | (1,593) | 14,180 | - |
| Increase (Decrease) in Liabilities: | | | | |
| Accounts Payable | (12,502) | 22,749 | 10,247 | 41,052 |
| Accrued Wages Payable | 10,642 | 4,027 | 14,669 | 770 |
| Other Current Liabilities | - | 1,266 | 1,266 | 165 |
| Deposits | 77,945 | - | 77,945 | - |
| Accrued Compensated Absences | (480) | (14,354) | (14,834) | (10,709) |
| Net Pension Liability | 17,764 | 17,244 | 35,008 | - |
| Total OPEB Liability | (86,715) | 24,905 | (61,810) | - |
| Other Long-Term Liabilities | (258,385) | - | (258,385) | - |
| Deferred Inflows of Pension Related Items | 106,853 | 10,532 | 117,385 | - |
| Deferred Inflows of OPEB Related Items | (57,914) | 9,079 | (48,835) | - |
| Net Cash Provided (Used) by Operating Activities | <u>\$ 3,230,845</u> | <u>\$ 156,622</u> | <u>\$ 3,387,467</u> | <u>\$ (47,916)</u> |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | | | | |
| Capital Related Accounts Payable and Retainage | \$ 248,069 | \$ 18,750 | \$ 266,819 | \$ - |
| Capital Assets Acquired through Leases | - | - | - | 181,128 |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2024**

| | Private Purpose Trust Funds | Pension Trust Funds |
|---------------------------------|-----------------------------------|---------------------------|
| ASSETS | | |
| Cash and Pooled Cash | \$ 1,765 | \$ 192,035 |
| Investments: | | |
| Debt Securities | - | 2,654,766 |
| Marketable Equity Securities | - | 5,705,604 |
| Real Estate Fund | - | 720,113 |
| Accounts Receivable | - | 16,759 |
| | 1,765 | 9,289,277 |
| Total Assets | 1,765 | 9,289,277 |
| NET POSITION | | |
| Restricted for Other Purposes | 1,765 | - |
| Restricted for Pension Benefits | - | 9,289,277 |
| | 1,765 | 9,289,277 |
| Total Net Position | \$ 1,765 | \$ 9,289,277 |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED SEPTEMBER 30, 2024**

| | <u>Private Purpose Trust Funds</u> | <u>Pension Trust Funds</u> |
|-----------------------------------|--|------------------------------------|
| ADDITIONS: | | |
| CONTRIBUTIONS | | |
| Employer | \$ - | \$ 232,552 |
| Plan Members | - | 38,637 |
| State of Florida | - | 116,631 |
| Total Contributions | - | 387,820 |
| INVESTMENT EARNINGS | | |
| Net Increase in Fair Value | - | 1,483,355 |
| Interest and Dividends | 190 | 219,741 |
| Total Investment Earnings | 190 | 1,703,096 |
| Total Additions | 190 | 2,090,916 |
| DEDUCTIONS: | | |
| BENEFIT PAYMENTS | - | 537,614 |
| ADMINISTRATIVE EXPENSES | - | 118,861 |
| Total Deductions | - | 656,475 |
| CHANGE IN NET POSITION | 190 | 1,434,441 |
| Net Position - Beginning of Year | 1,575 | 7,854,836 |
| NET POSITION - END OF YEAR | \$ 1,765 | \$ 9,289,277 |

See accompanying Notes to Financial Statements.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 REPORTING ENTITY

The City of Brooksville, Florida (the City) is an incorporated municipality, established in 1880, when the officers of the Town of Brooksville adopted ordinances declaring administrative and criminal laws. In 1931 the legislature of the State of Florida approved the Proposed Home Rule Charter for the City of Brooksville as contained in Chapter 15103 of the 1931 Acts of Florida. This chapter legalized and validated the charter election, which was held in the City on April 21, 1931. The City operates under a City Council-Manager form of government and provides the following municipal services: general administrative, public safety, permitting and zoning, development, public improvements, recreation, water and sewer, and sanitation and cemetery services.

The accompanying financial statements are prepared in accordance with generally accepted accounting principles (GAAP) applicable to governmental units, as prescribed by the Governmental Accounting Standards Board (GASB). The more significant of the City's accounting policies are described below.

As required by the Governmental Accounting Standards Board (GASB), these financial statements include the City (the primary government) and its component units, entities for which the City is considered to be financially accountable. The City is financially accountable if (a) it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefit to or impose specific financial burden on the City; (b) the organization is fiscally dependent upon the City; or (c) it would cause the financial statements to be misleading by excluding the organization.

The reporting entity's financial statements should allow users to distinguish between the primary government and its component units. However, some component units, because of the closeness of their relationships with the City should be blended as though they were part of the City. Otherwise, component units should be discretely presented. To accomplish this goal, the City's financial statements present the fund types of the City, including component units that have been blended.

City of Brooksville Community Redevelopment Agency

The City of Brooksville Community Redevelopment Agency (CRA), a public body corporate and politic created pursuant to Florida Statutes, Section 163.356 was created to oversee and implement the City's redevelopment plan and to supervise and control the expenditures of tax increment financing funds placed in the Community Redevelopment Area Trust Fund. The members of the City Council serve as the members of the CRA Board and approve the annual budget. The CRA satisfies the criteria for blending and is reported as a major Special Revenue Fund of the City. The CRA is designated as a major fund for public interest reasons. The CRA issues separate financial statements and they may be obtained by writing to Finance Director, City of Brooksville, 201 Howell Avenue, Brooksville, Florida 34601.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 REPORTING ENTITY (CONTINUED)

Brooksville Housing Authority

The Brooksville Housing Authority has not been included as part of the City for financial statement purposes. The governing board is appointed by the Mayor of the City with approval of City Council, as set forth in Florida Statute 421.05, but then the governing board is responsible for the hiring and firing of management; the budget, which is then approved by the federal government; and all fiscal matters. The City has no responsibility for any surplus or deficits of the Brooksville Housing Authority.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basic Financial Statements – Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (i.e., the Statement of Net Position and the Statement of Activities) and fund financial statements.

Government-Wide Financial Statements

The government-wide financial statements categorize primary activities as either governmental or business type. The City's fire protection, parks, public works, cemetery, and general administrative services are classified as governmental activities. The City's water, sewer, and sanitation services are classified as business-type activities.

In the government-wide statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reported using the economic resources measurement focus and the accrual basis of accounting, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts – net investment in capital assets, restricted net position, and unrestricted net position. The City first utilizes restricted resources to finance qualifying activities.

The government-wide statement of activities reports functional categories of programs provided by the City and demonstrates how and to what degree those programs are supported by specific revenue. The "Expenses" column reports direct expenses that are clearly identifiable with a specific function or program. "Program Revenues" are directly attributable to a specific function or program and are categorized as charges for services, operating grants and contributions, and capital grants and contributions. The net of program expenses less program revenues reflects the net cost of each function or program. The general revenues section includes revenues that are not program specific such as taxes and investment earnings.

As a general rule, the effect of interfund balances and transfers have been removed from the government-wide financial statements, except for the residual amounts between governmental and business-type activities reported as "internal balances," which are eliminated in the total column. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basic Financial Statements – Government-Wide and Fund Financial Statements
(Continued)**

Government-Wide Financial Statements (Continued)

This government-wide focus is more on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

Fund Financial Statements

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund balance, revenues, expenditures (or expenses), as appropriate, and other financing sources and uses. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The funds of the City are divided into three categories: governmental, proprietary, and fiduciary.

The emphasis in fund financial statements is on the major funds, as defined by GASB, in either the governmental or business-type activities categories. The nonmajor funds are combined in a column in the fund financial statements.

The City operates the following major governmental funds:

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities. The City operates the following major governmental funds:

- The **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The **City of Brooksville Community Redevelopment Agency**, a major special revenue fund, accounts for expenditures associated with oversight and implementation of the City's redevelopment plan and control of the expenditures of restricted tax increment financing funds placed in the City of Brooksville Community Redevelopment Agency.
- The **Fire Department Fund**, a major special revenue fund, accounts for funding restricted to fire protection and related essential services within the City.
- The **Local Option Gas Tax Fund**, a major special revenue fund, accounts for the gas tax restricted by Section 336.025, Florida Statutes, for use specific transportation expenditures.
- The **Road Impact Fees Fund**, a major special revenue fund, accounts for impact fees restricted by Section 163.31801, Florida Statutes, to acquire, construct, or improve capital facilities to benefit new users.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basic Financial Statements – Government-Wide and Fund Financial Statements
(Continued)**

Fund Financial Statements (Continued)

Proprietary Funds

Proprietary funds are used to account for a government's ongoing activities, which are similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration.

The City reports the following major proprietary funds:

- The **Utility Fund** accounts for the fiscal activity of providing water and wastewater services to residential and commercial customers.
- The **Sanitation Fund** accounts for the fiscal activity of providing collection and disposal of solid waste to residential and commercial customers.

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

The City's internal service funds are presented in the proprietary funds financial statements. Because the principal users of the internal service (vehicle maintenance, vehicle replacement, equipment replacement, employee benefits, and health insurance) are the City's governmental activities, the financial statements of the internal service funds are allocated largely into the governmental column when presented in the government-wide financial statements. The cost of these services is reported in the appropriate functional activity.

Fiduciary Funds

Fiduciary funds are used to account for resources that a government holds as a trustee or agent on behalf of an outside party that cannot be used for to support the government's own programs. As a result, they are excluded from the government-wide financial statements.

The City reports the following fiduciary funds:

- The **Butterweck Bond Fund**, a private-purpose trust fund, accounts for the fiscal activity to maintain Butterweck Crypt at Brooksville Cemetery.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Basic Financial Statements – Government-Wide and Fund Financial Statements
(Continued)**

Fund Financial Statements (Continued)

Fiduciary Funds (Continued)

- The **Fireman’s Retirement Fund**, a pension trust fund, accounts for the firefighter’s pension benefits, contractual services, and investment services.
- The **Police Retirement Fund**, a pension trust fund, accounts for the police pension benefits, contractual services, and investment services.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is followed by governmental funds. Under the modified accrual basis of accounting, revenues are recorded when they become measurable and available to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when the related fund liability has been incurred except for (1) principal and interest on long-term debt, which is recorded when due, and (2) the noncurrent portion of accrued vacation and sick leave.

Property taxes, sales taxes, and franchise taxes associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Licenses and permits, fines and forfeitures, charges for sales and services (other than utility) and miscellaneous revenues are generally recorded as revenue when received in cash because they are generally not measurable until actually received. In the category of use of money and property, property rentals are recorded as revenue when received in cash, but investment earnings are recorded as earned, since they are measurable and available.

All proprietary funds are accounted for on the accrual basis of accounting and presented using the economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net position. Net position is segregated into three components: net investment in capital assets; restricted net position; and unrestricted net position. Proprietary fund type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net position.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The fiduciary funds consist of pension trust funds and private-purpose trust fund, which are prepared on the accrual basis of accounting and presented using the economic resources measurement focus.

Budgets and Budgetary Accounting

The City follows these procedures, which comply with legal requirements, in establishing the budgetary data reflected in the financial statements:

1. All funds have legally adopted annual budgets. Prior to the inception of the fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing October 1. The operating budget includes proposed expenditures and the means of funding them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance.
4. The City Manager is authorized to transfer budget amounts within departments; however, any revisions that alter the total expenditures of any department or fund must be approved by the City Council. City policy permits amendments to the budget during the fiscal year and subsequent to year-end. Per Section 166.241, Florida Statutes, those subsequent to year-end must occur within 60 days.
5. Budgets for the General Fund, special revenue funds, and capital projects funds are principally prepared on the modified accrual basis of accounting.

Upon legislative approval, the expenditure requests in the budget become binding appropriations, which may not legally be exceeded unless subsequently amended by the legislative body.

Encumbrance Accounting

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditures of funds are recorded to reserve that portion of the applicable appropriation, is employed in the Governmental Funds. Encumbrances are not the equivalent of expenditures; but rather represent a future commitment to purchase goods or services. Although encumbrances lapse at fiscal year-end, it is the City's intention to honor these encumbrances under authority provided in the subsequent year's budget. Encumbrances outstanding as of September 30, 2024 totaled \$6,916,891 of which \$1,438,053 is General Fund, \$911,694 is Local Option Gas Tax Fund, \$102,025 is Road Impact Fees Fund, \$3,443,563 is Utility Fund, and \$1,021,556 is Solid Waste Fund.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pooled Cash and Investments

All of the City's cash and investments, except pension funds and certain bond related investments, are combined in a pooled cash accounting system to allow the investment of idle cash for short periods of time, thereby maximizing interest earnings for the City as a whole. Interest earned on pooled cash is allocated to each fund participating in the pool on a pro-rata basis.

Allowances for Uncollectible

The City calculates its allowances for uncollectible using historical collection data, specific account analysis, and management's judgment.

Investments

All investments, except non-participating investments, (i.e., certificates of deposits, and repurchase agreements), and investments in the external investments pools that meet the requirements of GASB 79 are reported at fair value.

Inventory of Supplies

Supplies inventory is valued at cost on a first-in, first-out basis. Supplies inventory consists of supplies held for consumption that are expensed at the time of consumption, rather than at the time a liability is incurred.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are expensed during the periods benefited.

Capital Assets

Capital assets, which include land, construction in progress, buildings, improvements other than buildings, equipment, and right-to-use leased assets, and subscription-based information technology arrangements (SBITA) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements as well as the proprietary fund financial statements.

Capital assets purchased or acquired with an original cost of \$5,000 or more are reported at historical cost or estimated historical cost if purchased or constructed. Contributed assets are reported at estimated acquisition value at the date of donation. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance that do not add to the value of the asset or materially extend the asset life are not capitalized.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Depreciation on all assets is provided using the straight-line method. The estimated useful lives are as follows:

| | |
|--------------------------|----------------|
| Buildings | 40 Years |
| Utility Plant in Service | 20 to 40 Years |
| Equipment | 5 to 10 Years |
| Infrastructure | 10 to 50 Years |

Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. As infrastructure is added, the assets are capitalized and depreciated appropriately.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Compensated Absences

City employees accumulate PTO, vacation, and sick leave pay in varying amounts as services are provided. All outstanding vacation time is payable upon termination of employment. In governmental funds, these costs are recognized when payments are made to employees or when the costs mature as a result of employee resignation or retirement. The related liability is recognized in the government-wide financial statements. In proprietary funds, these costs are recognized in salary expense when earned and reported as a liability.

Governmental Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent:

Nonspendable Fund Balance – Amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Fund Balances (Continued)

Committed Fund Balance – Amounts that can be used only for the specific purposes determined by a formal action of the City Council, the City's highest level of decision making authority. Commitments may only be removed or changed by the City Council taking the same formal action that imposed the constraint. The commitment action should occur by the end of the fiscal year.

Assigned Fund Balance – Amounts intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. The City Council delegated the City Manager the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance – The residual classification for the City's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The City has formally adopted a fund balance and spending policy to clearly define the process for tracking the various classifications of fund balance. When a fund expenditure is incurred which restricted, committed, assigned, or unassigned amounts are available to be used, the City will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Minimum Fund Balance Policy

The City Council established a minimum fund balance by formally requiring, in accordance with its Fund Balance Policy, that the City will maintain a minimum unassigned fund balance in its General Fund of 3% of the current year's budgeted expenditures and outgoing transfers. If fund balance falls below the minimum 3%, the City will replenish shortages/deficiencies over a period not to exceed one year using one or the combination of the following:

- The City will reduce recurring expenditures to eliminate any structural deficit
- The City will increase revenues or pursue other funding sources

The City's Fund Balance Policy also states an unassigned fund balance in its General Fund over 20% of the subsequent year's budgeted expenditures and outgoing transfers will be considered a surplus. If fund balance rises above 20%, the City will consider such fund balance surpluses for one-time expenditures that are non-recurring in nature and which will not require additional future expenditure outlays for maintenance, additional staffing, or other recurring expenditures.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position represents the difference between assets and liabilities. The net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments. All net position not reported as net investment in capital assets or restricted net position, is reported as unrestricted net position. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

Statement of Cash Flows

For purposes of the statement of cash flows, the proprietary funds consider pooled cash and investments to be cash equivalents, since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates, and those differences could be material.

Pensions

Single Employer: 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 Firefighters' Retirement Trust Fund Chapter 175 and the Retired Police Officers' Substituted Trust Fund and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Cost Sharing Employer: In the government-wide and proprietary funds statements of net position, liabilities are recognized for the City's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has multiple items that can qualify for reporting in this category including differences between expected and actual experience, changes in actuarial assumptions, net difference in projected versus actual earnings on pension plan investments, changes in the proportion and differences between the City's contributions and proportionate share of contributions, and the City's contributions subsequent to the measurement date, related to the multiple pension and OPEB valuations. The other amounts will be recognized as increases in pension expense and OPEB expense in future years.

In addition to liabilities, the statement of net position includes a separate section for deferred inflows of resources. This separate statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. The City has multiple items that can qualify for reporting in this category including differences between expected and actual experience, changes in actuarial assumptions, net difference in projected versus actual earnings on pension plan investments, and changes in the proportion and differences between the City's contributions and proportionate share of contributions, related to the multiple pension and OPEB valuations.

In addition to the above pension related deferred inflows, the City also has one other type of deferred inflows of resources, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item *unavailable revenue* is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from certain transactions and these amounts are deferred and will be recognized as an inflow of resources in the period in which the amounts become available.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS

Cash Deposits

As of September 30, 2024, the City's cash deposits were entirely covered by federal depository insurance or by the banking network provided by Chapter 280 of the Florida Statutes. Florida Statutes provide for collateral pooling by banks and savings and loans, and limit local government deposits to "authorized depositories." Therefore, all cash deposits held by banks can be classified as fully insured. Customer deposits, renewal and replacement and debt retirement funds are shown as restricted cash due to the legal limitations imposed on them. At September 30, 2024, the carrying amount of the City's deposits were \$17,195,815 and the bank balances were \$17,226,295. The City also had \$2,000 cash on hand at September 30, 2024.

Custodial Risk

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its deposits and securities that are in the possession of an outside party. Demand deposits are fully insured by the Federal Depository Insurance Corporation and the multiple financial institution collateral pool, required by Sections 280.07 and 280.08, Florida Statutes. To mitigate custodial risk, broker/dealers must meet established capital requirements as set forth by the Securities Exchange Commission, be registered in the State of Florida, provide proof of registration, complete a broker/dealer questionnaire, certify understanding of the City's investment policy, and provide a copy of most recent audit report.

Investments

The City's investment policy allows the City to invest surplus money in instruments provided by Florida Statutes Chapter 218.40 - 218.415. Among them are:

- a. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act, as provided in Section 163.01, Florida Statutes;
- b. Savings accounts in state-certified qualified public depositories, as defined in Section 280.02, Florida Statutes;
- c. Certificates of deposit in state-certified qualified public depositories, as defined in Section 280.02, Florida Statutes;
- d. Direct obligations of the U.S. Treasury;
- e. Federal Agencies and instrumentalities;
- f. Repurchase Contracts secured by U.S. Treasury or U.S. Government Agency Securities when market value shall be not less than 5% more than the amount of the contract. The 5% margin shall be maintained for the term of the contract. If the market value falls below the 5% margin, the issuer of the contract shall pledge additional collateral to restore the margin.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

City ordinance authorizes investments for the pension trust funds, as follows:

- a. Annuity and life insurance contracts;
- b. Time and savings accounts of National Bank and a State of Florida bank insured by FDIC;
- c. Obligations of the United States;
- d. State and local government bonds (as restricted); and
- e. Corporate stocks and bonds (as restricted).

Pension trust fund investments are made up primarily of trust company and equity funds (bank common funds). The investments are insured or registered securities that are held by the City or its agent, in the City's name. As of September 30, 2024, pension trust fund investments totaled \$9,080,483.

Investments in Local Government Investment Pools (LGIP)

The City invests funds throughout the year with Florida PRIME, an investment pool administered by the State Board of Administration, under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year and as of September 30, 2024, Florida PRIME contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three-month LIBOR rates. These investments represented 27.90% of Florida PRIME's portfolio at September 30, 2024.

Florida PRIME meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost, as a cash equivalent.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments in Local Government Investment Pools (LGIP) (Continued)

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

The City also participates in the Florida Municipal Investment Trust (FMIvT), administered by the Florida League of Cities, Inc. FMIvT is an authorized investment under Section 163.01, Florida Statutes and is considered an external investment pool for reporting purposes. The City owns share in one or more FMIvT portfolios, not the individual securities held within each portfolio.

Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City’s investment policy limits investments to specified credit ratings for authorized investments. To mitigate credit risk, the City primarily invests in U.S. government securities and the State of Florida local government surplus trust fund pool. Money market accounts are held with qualified public depositories who meet the State of Florida requirements.

Investments in Florida PRIME must carry an “AAAm” rating from Standard and Poor’s. On September 30, 2024, Standard and Poor’s Ratings Services assigned the Florida PRIME an “AAAm” principal stability funding rating.

The following illustrates the credit quality distribution with credit exposure as a percentage of the City’s investment securities.

| <u>Investment Type</u> | <u>Credit Ratings</u> | <u>Concentration Risk at Fair Value</u> | <u>Percentage of Total Pooled Investments</u> |
|---|-----------------------|---|---|
| LGIP - SBA Florida PRIME | AAAm | \$ 2,324,085 | 17.10 % |
| LGIP - FMIvT: 0-2 Year High Quality Bond | AAAf/S1 | 8,822,866 | 64.92 |
| LGIP - FMIvT: 1-3 Year High Quality Bond | AAAf/S2 | 1,688,365 | 12.42 |
| LGIP - FMIvT: Intermediate High Quality Bond Fund | AAAf/S3 | 755,362 | 5.56 |
| Total | | <u>\$ 13,590,678</u> | <u>100.00 %</u> |

The Police Pension Fund and Fire Pension Fund limits credit risk by diversifying the investment portfolios so that potential losses on individual securities will be minimized.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

The following illustrates the credit quality distribution with credit exposure as a percentage of the Fire Pension Fund investment securities.

| Investment Type | Credit Ratings | Concentration Risk at Fair Value | Percentage of Total Pooled Investments |
|----------------------------------|----------------|----------------------------------|--|
| Fixed Income: | | | |
| U.S. Government Obligations | AAA | \$ 307,326 | 3.51 % |
| Mortgage/Asset Backed Securities | AA+ | 23,935 | 0.27 |
| Mortgage/Asset Backed Securities | AAA | 29,261 | 0.33 |
| Mortgage/Asset Backed Securities | No rating | 782,294 | 8.93 |
| Mutual Funds (Bond Funds) | No rating | 388,408 | 4.44 |
| Corporate Bonds | AAA | 5,874 | 0.07 |
| Corporate Bonds | AA+ | 6,949 | 0.08 |
| Corporate Bonds | AA- | 21,387 | 0.24 |
| Corporate Bonds | A+ | 15,289 | 0.17 |
| Corporate Bonds | A | 69,619 | 0.80 |
| Corporate Bonds | A- | 213,684 | 2.44 |
| Corporate Bonds | BBB+ | 233,285 | 2.66 |
| Corporate Bonds | BBB | 225,984 | 2.58 |
| Corporate Bonds | BBB- | 73,268 | 0.84 |
| Corporate Bonds | BB+ | 10,055 | 0.11 |
| Corporate Bonds | No rating | 17,977 | 0.21 |
| Foreign Bonds NTS | AA- | 6,495 | 0.07 |
| Foreign Bonds NTS | A+ | 9,747 | 0.11 |
| Foreign Bonds NTS | A | 6,105 | 0.07 |
| Foreign Bonds NTS | A- | 4,482 | 0.05 |
| Foreign Bonds NTS | BBB+ | 35,791 | 0.41 |
| Foreign Bonds NTS | BBB | 17,886 | 0.20 |
| Foreign Bonds NTS | BBB- | 25,358 | 0.29 |
| Domestic Equities | No Rating | 4,307,884 | 49.20 |
| International Equities | No Rating | 1,197,156 | 13.67 |
| Real Estate Fund | No Rating | 720,113 | 8.22 |
| Total | | <u>\$ 8,755,612</u> | <u>100.00 %</u> |

The following illustrates the credit quality distribution with credit exposure as a percentage of the Police Pension Fund investment securities.

| Investment Type | Credit Ratings | Concentration Risk at Fair Value | Percentage of Total Pooled Investments |
|---------------------------|----------------|----------------------------------|--|
| Fixed Income: | | | |
| Mutual Funds (Bond Funds) | No Rating | \$ 124,307 | 38.26 % |
| Domestic Equities | No Rating | 200,564 | 61.74 |
| Total | | <u>\$ 324,871</u> | <u>100.00 %</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

Concentration of credit risk is the risk of loss attributable to the quality of investments in a single user. The City's investment policy, not including pensions, requires that investments be diversified by security type and institution. Approximately 83% of the City's investments are in Florida Municipal Investment Trust. Approximately 17% of the City's Investments are in the Local Government Surplus Trust Fund investment pool.

The Fire Pension Fund requires that not more than 65% of the Plan's assets may be invested in corporate common stock and convertible bonds. Foreign securities shall not exceed 25% of the market value of the Plans' assets. Investment in real estate must not exceed 10% of the cost value of the fund. Not more than 5% of the Plan's assets, at time of purchase, shall be invested in the common stock, capital stock, or convertible stock of any on issuing company, nor shall the aggregate investment in any one issuing company exceed 5% of the outstanding capital stock of the company. The value of bonds issued by any single corporation shall not exceed 3% of the total fund.

The Police Pension Fund may not exceed 70% of the net asset value of the plan in fund equities. At September 30, 2024 holdings were approximately 62% in equities and 38% in fixed income.

The City does not have any investments in any one issuer that represent 5% or more of total investments.

Interest Rate Risk

To mitigate interest rate risk, the City's investment policy requires that the investment portfolio structure maturities to the City's cash needs for ongoing operations and that operating funds be invested primarily in short-term securities. The City's policy requires that investments have maturities no greater than five years.

The weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2024 was 39 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2024 was 74 days.

| <u>Investment Type</u> | <u>Average Duration</u> |
|---|-----------------------------|
| LGIP - SBA Florida PRIME | 0.20 |
| LGIP - FMIvT: 0-2 Year High Quality Bond | 0.88 |
| LGIP - FMIvT: 1-3 Year High Quality Bond | 1.63 |
| LGIP - FMIvT: Intermediate High Quality Bond Fund | 4.10 |

The City's pension trust funds do not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates. The performance of the Police Pension Fund and Fire Pension Fund are measured against various nationally recognized benchmarks depending on the category.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

The Police Pension Fund maturities are as follows:

| | Fixed Income Investments |
|-------------------|-----------------------------|
| One to Five Years | \$ 124,307 |
| Total Fair Value | \$ 124,307 |

The Fire Pension Fund maturities are as follows:

| | Fixed Income Investments |
|---------------------|-----------------------------|
| Less than One Year | \$ 181,484 |
| One to Five Years | 889,624 |
| Five to Ten Years | 347,126 |
| More than Ten Years | 1,112,225 |
| Total Fair Value | \$ 2,530,459 |

Foreign Currency Risk

The City is not exposed to any foreign currency risk.

Fair Value Measurements

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

The following illustrates the fair value of investments of the City:

| | | Fair Value Measurements Using | | |
|--|-----------------------|--|---|--|
| | | Quoted Prices In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by Fair Value Level: | September 30, 2024 | | | |
| LGIP - FMIvT: 0-2 Year High Quality Bond | \$ 8,822,866 | \$ - | \$ 8,822,866 | \$ - |
| LGIP - FMIvT: 1-3 Year High Quality Bond | 1,688,365 | - | 1,688,365 | - |
| LGIP - FMIvT: Intermediate High Quality Bond Fund | 755,362 | - | 755,362 | - |
| | 11,266,593 | \$ - | \$ 11,266,593 | \$ - |
| Investments Measured at Amortized Cost: | | | | |
| LGIP - SBA Florida PRIME | 2,324,085 | | | |
| Total Investments Measured at Amortized Cost | 2,324,085 | | | |
| Total Investments | \$ 13,590,678 | | | |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

FMLvT 0-2 Year High Quality Bond Fund

This fund invests mainly in U.S. government and agency securities and asset-backed securities. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, Interactive Data Corporation (IDC). While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMLvT 1-3 Year High Quality Bond Fund

This fund invests mainly in U.S. government and agency securities and asset-backed securities. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, IDC. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

FMLvT Intermediate High Quality Bond Fund

This fund invests mainly in U.S. government and agency securities, asset-backed securities and corporate bonds and notes. The underlying securities have observable Level 1 quoted pricing inputs or observable Level 2 significant other observable pricing inputs. Most of the security prices were obtained from a pricing service, IDC. While the underlying asset values are based on quoted prices or market-corroborated inputs, the net asset value of the portfolio is not publicly quoted.

The following illustrates the fair value of investments of the Police Pension Fund:

| | September 30, 2024 | Fair Value Measurements Using | | |
|--|-----------------------|--|---|--|
| | | Quoted Prices In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by Fair Value Level: | | | | |
| Debt Securities: | | | | |
| Mutual Funds (Bond Funds) | \$ 124,307 | \$ 124,307 | \$ - | \$ - |
| Marketable Equity Funds: | | | | |
| Domestic | 200,564 | 200,564 | - | - |
| Total Investments at Fair Value Level | <u>\$ 324,871</u> | <u>\$ 324,871</u> | <u>\$ -</u> | <u>\$ -</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

The following illustrates the fair value of investments of the Fire Pension Fund:

| | September 30, 2024 | Fair Value Measurements Using | | |
|--|-----------------------|--|---|--|
| | | Quoted Prices In Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |
| Investments by Fair Value Level: | | | | |
| Debt Securities: | | | | |
| U.S. Government Obligations | \$ 307,326 | \$ - | \$ 307,326 | \$ - |
| Mutual Funds (Bond Funds) | 388,408 | 388,408 | - | - |
| Mortgage/Asset Backed Securities | 835,490 | - | 835,490 | - |
| Corporate and Foreign Bonds | 999,235 | - | 999,235 | - |
| Subtotal - Debt Securities | <u>2,530,459</u> | <u>388,408</u> | <u>2,142,051</u> | <u>-</u> |
| Marketable Equity Funds: | | | | |
| Domestic | 4,307,884 | 4,307,884 | - | - |
| International | 1,197,156 | 1,197,156 | - | - |
| Subtotal - Marketable Equity Funds | <u>5,505,040</u> | <u>5,505,040</u> | <u>-</u> | <u>-</u> |
| Total Investments at Fair Value Level | 8,035,499 | <u>\$ 5,893,448</u> | <u>\$ 2,142,051</u> | <u>\$ -</u> |
| Investments by Net Asset Value (NAV): | | | | |
| Real Estate Fund | <u>720,113</u> | | | |
| Total Investments Measured at the NAV | <u>720,113</u> | | | |
| Total Investments | <u>\$ 8,755,612</u> | | | |

Other information for investments measured at the NAV or its equivalent is as follows:

| | Fair Value | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|------------------|---------------|-------------------------|-------------------------|--------------------------------|
| Real Estate Fund | \$ 720,113 | \$ 2,053 | Quarterly | Daily |

Real Estate Fund – The American Core Realty Fund is an open-end diversified core real estate commingled fund whose primary objective is to provide returns that are attractive relative to other asset classes with stable income and potential for market appreciation. The American Core Realty Fund invests primarily in core institutional quality industrial, multi-family, office and retail properties located throughout the United States, and is diversified by product type, geographic region, and economic exposure in order to mitigate investment risk.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

A reconciliation of deposits and investments to amounts shown on the statement of net position and statement of fiduciary net position is as follows:

| | |
|---|---------------|
| Deposits | \$ 17,195,815 |
| Cash on Hand | 2,000 |
| Investments | 22,671,161 |
| Total | \$ 39,868,976 |
| Statement of Net Position: | |
| Cash and Investments | \$ 29,296,436 |
| Restricted Cash and Investments | 1,298,257 |
| Statement of Fiduciary Net Positions: | |
| Pooled Cash | 193,800 |
| Investments | 9,080,483 |
| Total Cash and Investments | \$ 39,868,976 |

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

Due To/From Other Funds

The balances due to/from other funds were as follows at September 30, 2024:

| <u>Due To/From Other Funds</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|--------------------------------|---------------------------------|------------------------------|
| Major Funds: | | |
| Utilities Fund | \$ - | \$ 292,178 |
| Sanitation Fund | 292,178 | - |
| Total | \$ 292,178 | \$ 292,178 |

Advance To/From Other Funds

The balance advanced to/from other funds was as follows at September 30, 2024:

| <u>Advances To/From Other Funds</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-------------------------------------|---------------------------------|------------------------------|
| Major Funds: | | |
| General Fund | \$ 58,388 | \$ - |
| Utilities Fund | - | 58,388 |
| Total | \$ 58,388 | \$ 58,388 |

Interfund receivables and payables represent recurring activities between funds as well as temporary deficit cash balances. All interfund payables are expected to be repaid within one year, with the exception of the advance due between the General Fund and Utility Fund.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Interfund Transfers In/Transfers Out

Individual interfund transfers were as follows for the fiscal year ended September 30, 2024:

| <u>Transfers In/Out</u> | <u>Transfers In</u> | <u>Transfers Out</u> |
|----------------------------------|-------------------------|--------------------------|
| Major Funds: | | |
| General Fund | \$ 324,507 | \$ 3,047,684 |
| Fire Department Fund | 1,155,502 | 7,558 |
| Local Option Gas Tax Fund | 1,853,281 | 1,683 |
| Utility Fund | - | 494,704 |
| Sanitation Fund | - | 89,999 |
| Nonmajor Governmental Funds | 650,554 | 342,216 |
| Total Transfers In/Transfers Out | <u>\$ 3,983,844</u> | <u>\$ 3,983,844</u> |

Transfers between funds are primarily to move unrestricted revenues collected in funds to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 5 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024 is as follows:

| | Balance September 30, 2023 | Additions | Deletions | Balance September 30, 2024 |
|--|----------------------------------|---------------------|-------------------|----------------------------------|
| Governmental Activities: | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 1,510,978 | \$ - | \$ - | \$ 1,510,978 |
| Construction-in-Progress | 3,531,115 | 4,183,934 | (2,700) | 7,712,349 |
| Total Capital Assets, Not Being Depreciated | <u>5,042,093</u> | <u>4,183,934</u> | <u>(2,700)</u> | <u>9,223,327</u> |
| Capital Assets, Being Depreciated: | | | | |
| Buildings | 7,047,223 | - | - | 7,047,223 |
| Improvements Other Than Building | 9,167,460 | - | - | 9,167,460 |
| Equipment | 6,210,256 | 380,620 | (123,090) | 6,467,786 |
| Total Capital Assets, Being Depreciated | <u>22,424,939</u> | <u>380,620</u> | <u>(123,090)</u> | <u>22,682,469</u> |
| Less: Accumulated Depreciation | | | | |
| Buildings | 3,823,615 | 244,579 | - | 4,068,194 |
| Improvements Other Than Building | 5,106,114 | 332,706 | - | 5,438,820 |
| Equipment | 4,222,279 | 316,850 | (123,090) | 4,416,039 |
| Total Accumulated Depreciation | <u>13,152,008</u> | <u>894,135</u> | <u>(123,090)</u> | <u>13,923,053</u> |
| Total Capital Assets, Being Depreciated, Net | 9,272,931 | (513,515) | - | 8,759,416 |
| Right-to-Use Lease Assets: | | | | |
| Equipment | 230,230 | 181,128 | (16,840) | 394,518 |
| Less Accumulated Amortization: | | | | |
| Equipment | 41,759 | 92,053 | (16,840) | 116,972 |
| Total Right-to-Use Lease Assets, Net | <u>188,471</u> | <u>89,075</u> | <u>-</u> | <u>277,546</u> |
| Subscription-Based Information | | | | |
| Technology Arrangement Assets: | 131,410 | 42,677 | - | 174,087 |
| Less: Accumulated Amortization: | | | | |
| Subscription-Based Information | | | | |
| Technology Arrangements | 21,196 | 61,393 | - | 82,589 |
| Total Subscription Based Information | | | | |
| Technology Arrangement Assets, Net | <u>110,214</u> | <u>(18,716)</u> | <u>-</u> | <u>91,498</u> |
| Total Governmental Activities | | | | |
| Capital Assets, Net | <u>\$ 14,613,709</u> | <u>\$ 3,740,778</u> | <u>\$ (2,700)</u> | <u>\$ 18,351,787</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 5 CAPITAL ASSETS (CONTINUED)

| | Balance September 30, 2023 | Additions | Deletions | Balance September 30, 2024 |
|--|----------------------------------|-------------|--------------|----------------------------------|
| Business-Type Activities: | | | | |
| Capital Assets, Not Being Depreciated: | | | | |
| Land | \$ 1,195,931 | \$ - | \$ - | \$ 1,195,931 |
| Construction-in-Progress | 2,588,604 | 1,594,675 | - | 4,183,279 |
| Total Capital Assets, Not Being Depreciated | 3,784,535 | 1,594,675 | - | 5,379,210 |
| Capital Assets, Being Depreciated: | | | | |
| Buildings | 480,702 | | - | 480,702 |
| Improvements Other Than Buildings | 53,751,327 | | | 53,751,327 |
| Machinery and Equipment | 5,447,103 | 596,305 | (580,780) | 5,462,628 |
| Total Capital Assets, Being Depreciated | 59,679,132 | 596,305 | (580,780) | 59,694,657 |
| Less: Accumulated Depreciation: | | | | |
| Buildings | 338,141 | 17,455 | - | 355,596 |
| Improvements Other Than Buildings | 31,743,114 | 1,464,030 | - | 33,207,144 |
| Machinery and Equipment | 3,733,990 | 230,282 | (239,929) | 3,724,343 |
| Total Accumulated Depreciation | 35,815,245 | 1,711,767 | (239,929) | 37,287,083 |
| Total Capital Assets, Being Depreciated, Net | 23,863,887 | (1,115,462) | (340,851) | 22,407,574 |
| Subscription-Based Information | | | | |
| Technology Arrangement Assets: | 65,749 | - | - | 65,749 |
| Less: Accumulated Amortization: | | | | |
| Subscription-Based Information | | | | |
| Technology Arrangements | 4,109 | 12,328 | - | 16,437 |
| Total Subscription Based Information | | | | |
| Technology Arrangement Assets, Net | 61,640 | (12,328) | - | 49,312 |
| Total Business-Type Activities | | | | |
| Capital Assets, Net | \$ 27,710,062 | \$ 466,885 | \$ (340,851) | \$ 27,836,096 |

Depreciation/Amortization expense was charged to the functions of the primary government as follows:

| | |
|--|--------------|
| Governmental Activities: | |
| General Government | \$ 388,791 |
| Public Safety | 127,707 |
| Physical Environment | 98,332 |
| Transportation | 263,612 |
| Culture and Recreation | 169,139 |
| Total Depreciation/Amortization for Governmental Activities | \$ 1,047,581 |
| Business-Type Activities: | |
| Water | \$ 1,644,773 |
| Solid Waste Fund | 79,322 |
| Total Depreciation/Amortization for Business-Type Activities | \$ 1,724,095 |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 LONG-TERM LIABILITIES

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

| | Balance October 1, 2023 | Additions | Deductions | Balance September 30, 2024 | Amounts Due Within One Year |
|---|-------------------------------|-------------------|---------------------|----------------------------------|-----------------------------------|
| GOVERNMENTAL ACTIVITIES | | | | | |
| Direct Placements: | | | | | |
| 2006 Capital Improvement Revenue Bonds | \$ 94,000 | \$ - | \$ 9,000 | \$ 85,000 | \$ 10,000 |
| 2016 Capital Improvement Revenue Bond | 60,634 | - | 6,123 | 54,511 | 6,268 |
| Total Direct Placements | <u>154,634</u> | <u>-</u> | <u>15,123</u> | <u>139,511</u> | <u>16,268</u> |
| Direct Borrowings: | | | | | |
| 2011 Capital Improvement Revenue Note | 919,167 | - | 269,906 | 649,261 | 281,242 |
| Patch Truck Note | 44,820 | - | 14,381 | 30,439 | 14,932 |
| Mini Pumper Fire Truck Note | 274,880 | - | 18,575 | 256,305 | 18,971 |
| 2022 Capital Improvement Revenue Note | 3,316,430 | - | 187,213 | 3,129,217 | 194,180 |
| Total Direct Borrowings | <u>4,555,297</u> | <u>-</u> | <u>490,075</u> | <u>4,065,222</u> | <u>509,325</u> |
| Leases Payable | 195,402 | 181,128 | 82,965 | 293,565 | 94,266 |
| SBITA Payable | 72,247 | 42,677 | 54,461 | 60,463 | 28,041 |
| Compensated Absences | 271,353 | 173,797 | 260,613 | 184,537 | 73,946 |
| Governmental Activity Long-Term Liabilities | <u>\$ 5,248,933</u> | <u>\$ 397,602</u> | <u>\$ 903,237</u> | <u>\$ 4,743,298</u> | <u>\$ 721,846</u> |
| BUSINESS-TYPE ACTIVITIES | | | | | |
| Direct Placement: | | | | | |
| 2013 Water and Sewer Refunding Revenue Bonds | \$ 3,292,666 | \$ - | \$ 700,720 | \$ 2,591,946 | \$ 718,140 |
| Total Direct Placement | <u>3,292,666</u> | <u>-</u> | <u>700,720</u> | <u>2,591,946</u> | <u>718,140</u> |
| Direct Borrowings: | | | | | |
| Wastewater /ARRA Loan | 271,107 | - | 33,518 | 237,589 | 34,294 |
| Direct State Revolving Fund Loan | 179,301 | - | 22,168 | 157,133 | 22,680 |
| Total Direct Borrowings | <u>450,408</u> | <u>-</u> | <u>55,686</u> | <u>394,722</u> | <u>56,974</u> |
| Compensated Absences | 84,137 | 73,272 | 88,106 | 69,303 | 22,819 |
| SBITA Payable | 55,508 | - | 10,000 | 45,508 | 10,000 |
| Other Long-Term Liabilities | 2,088,540 | - | 258,385 | 1,830,155 | - |
| Business-Type Activity Long-Term Liabilities | <u>\$ 5,971,259</u> | <u>\$ 73,272</u> | <u>\$ 1,112,897</u> | <u>\$ 4,931,634</u> | <u>\$ 807,933</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

The following bonds payable and notes payable were outstanding at September 30, 2024:

Direct Placement – 2006 Capital Improvement Revenue

In November 2006, the City issued \$258,800 in Capital Improvement Revenue Bonds, Series 2006 for the purpose of providing a part of the funds required to finance a part of the cost of acquiring and installing certain capital improvements to the City Hall Building and wastewater utility lift stations. The City established an advance between the General Fund and the Utility Fund for the Utility Fund's portion due for the cost of improvements at the wastewater utility lift stations. The balance of the advance at September 30, 2024 was \$58,388 as disclosed in Note 4.

Interest on the 2006 bonds is payable annually on September 1 of each year. The bonds carry an interest rate of 4.125%. Bonds maturing September 1, 2017 and thereafter shall be redeemable, at the option of the Issuer, in whole or in part, in inverse numerical and maturity order, on September 1, 2016 or on any interest payment date thereafter at par and accrued interest, plus the following premiums, expressed as percentages of the par value of the Bonds so redeemed, if redeemed in the following years:

4% if redeemed on September 1, 2020 or thereafter, to and including September 1, 2023;
3% if redeemed on September 1, 2024 or thereafter, to and including September 1, 2027;
2% if redeemed on September 1, 2028 or thereafter, to and including September 1, 2031;
1% if redeemed on September 1, 2032 or thereafter, to and including September 1, 2036.

This debt contains a provision that in the event of default, the entire principal amount plus outstanding and accrued interest may become immediately due and payable.

Direct Placement – 2016 Capital Improvement Revenue

In November 2016, the City issued \$94,500 in Capital Improvement Revenue Bonds, Series 2016 for the purpose of purchasing a fire truck. Interest on the 2016 bonds is payable annually on October 1 of each year. The 2016 Bonds have an interest rate of 2.375% and will mature October 1, 2031. The Bonds are not subject to redemption prior to their respected stated dates of maturity.

This debt contains a provision that in the event of default, the entire principal amount plus outstanding and accrued interest may become immediately due and payable.

Direct Placement – 2013 Water and Sewer Refunding Revenue

During 2013, City Council approved Resolution 2013-03 authorizing the issuance of the Water and Sewer Refunding Revenue Bond, Series 2013 of \$9,510,366. This action refunds the Water and Sewer Systems Bonds Series 1999, Water and Sewer Revenue Refunding Bonds Series 2002, and the Hancock Bank Subordinated Water and Sewer Revenue Note Series 2008. The 2013 Bonds have an interest rate of 2.968% and will mature on October 1, 2027.

This debt contains a provision that in the event of default, any amount will bear interest at the default rate, which is the prime rate plus 3% per annum.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Direct Placements

The annual requirements to amortize direct placements as of September 30, 2024 are as follows:

| Year | Governmental Activities | | | | Business-Type Activities | |
|-----------|--|-----------|--|----------|--|------------|
| | Direct Placements | | | | Direct Placements | |
| | 2006 Capital Improvement Revenue Bonds | | 2016 Capital Improvement Revenue Bonds | | 2013 Water and Sewer Refunding Revenue Bonds | |
| | Principal | Interest | Principal | Interest | Principal | Interest |
| 2025 | \$ 10,000 | \$ 3,506 | \$ 6,268 | \$ 1,295 | \$ 718,140 | \$ 71,638 |
| 2026 | 10,000 | 3,094 | 6,417 | 1,146 | 735,780 | 50,193 |
| 2027 | 11,000 | 2,681 | 6,569 | 993 | 753,860 | 28,223 |
| 2028 | 11,000 | 2,228 | 6,725 | 838 | 384,166 | 5,712 |
| 2029 | 11,000 | 1,774 | 6,885 | 678 | | |
| 2030-2034 | 32,000 | 2,475 | 21,647 | 1,036 | - | - |
| Total | \$ 85,000 | \$ 15,758 | \$ 54,511 | \$ 5,985 | \$ 2,591,946 | \$ 155,766 |

Direct Borrowings – Notes Payable

Notes payable included in long-term liabilities as of September 30, 2024 are as follows:

| | Amount |
|--|---------------------|
| Governmental Activities: | |
| 4.136% note payable to SunTrust Bank; principal and interest payable quarterly beginning January 1, 2012 until October 2026; subject to prepayment penalties; financing energy performance projects. The note contains a provision that in the event of default, additional interest will be required at the daily equivalent rate of 12% per annum and payments may be accelerated. | \$ 649,261 |
| 3.77% note payable to SunTrust Bank; principal and interest payable monthly beginning October 14, 2018 until September 14, 2026; used to purchase a Patch Truck. The note contains a provision that in the event of default, all payments may become due and payable. | 30,439 |
| 2.13% note payable to Truist Bank; principal and interest payable monthly beginning March 8, 2022 until March 8, 2036; used to purchase a Mini Pumper Fire Truck. The note contains a provision that in the event of default, all payments may become due and payable. | 256,305 |
| 3.50% note payable to Truist Bank; principal and interest payable annually beginning June 1, 2023 until June 1, 2037; used to acquire, construct and finance a new public work building. The note contains a provision that in the event of default, the interest rate shall increase to the Default Rate while the payment default has occurred and is ongoing. | 3,129,217 |
| Total | <u>\$ 4,065,222</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowings – Notes Payable (Continued)

| | Amount |
|--|------------|
| Business-Type Activities: | |
| 2.3% state revolving fund note payable to the State of Florida Department of Environmental Protection; secured by and payable from the pledged revenues; principal and interest payable in semiannual installments beginning August 15, 2011 until February 15, 2031. The note contains a provision that in the event of default, the repayment schedule may be accelerated or the financing rate on the unpaid principal may be increased to as much as 1.667 times the financing rate. | \$ 237,589 |
| 2.3% state revolving fund note payable to the State of Florida Department of Environmental Protection; secured by and payable from the pledged revenues; principal and interest payable in semiannual installments beginning August 15, 2011 until February 15, 2031. The note contains a provision that in the event of default, the repayment schedule may be accelerated or the financing rate on the unpaid principal may be increased to as much as 1.667 times the financing rate. | 157,133 |
| Total | \$ 394,722 |

The annual requirements to amortize direct borrowings as of September 30, 2024 are as follows:

| Year | Governmental Activities | | Business-Type Activities | |
|-----------|-------------------------|------------|--------------------------|-----------|
| | Direct Borrowings | | Direct Borrowings | |
| | Principal | Interest | Principal | Interest |
| 2025 | \$ 509,325 | \$ 138,397 | \$ 56,974 | \$ 8,752 |
| 2026 | 528,912 | 118,811 | 58,292 | 7,435 |
| 2027 | 302,965 | 101,097 | 59,641 | 6,086 |
| 2028 | 235,499 | 92,619 | 61,019 | 4,707 |
| 2029 | 243,464 | 84,654 | 62,433 | 3,295 |
| 2030-2034 | 1,346,696 | 293,894 | 96,363 | 2,225 |
| 2035-2039 | 898,361 | 61,757 | - | - |
| Total | \$ 4,065,222 | \$ 891,229 | \$ 394,722 | \$ 32,500 |

Compensated Absences

Compensated absences represent the vested portion of leave credits. See Note 1 for a summary of the City's compensated absences policy. The liability for compensated absences is liquidated with resources of the General Fund, Fire Department Fund, Local Option Gas Tax Fund, Utility Fund, Sanitation Fund, and internal service funds.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Other Long-Term Liabilities

The City has recorded a liability for the water and sewer impact fee credits received from multiple developers. As of September 30, 2024 the liability is \$1,830,155.

Lessee Arrangement

The City leases equipment under a long-term, non-cancelable lease agreement. The leases expire at various dates through 2028 and provide for renewal options in various terms.

Total future minimum lease payments under lease agreements are as follows:

| <u>Year</u> | Governmental Activities | |
|------------------------------|-------------------------|-----------|
| | Principal | Interest |
| 2025 | \$ 94,266 | \$ 13,203 |
| 2026 | 99,560 | 7,910 |
| 2027 | 82,919 | 2,650 |
| 2028 | 16,820 | 106 |
| Total Minimum Lease Payments | \$ 293,565 | \$ 23,869 |

Subscription-Based Information Technology Arrangements

The City has entered into SBITAs which expire at various dates through 2028 and provide for renewal options.

Total future minimum subscription payments under SBITA agreements are as follows:

| <u>Year</u> | Governmental Activities | | Business-Type Activities | |
|------------------------------|-------------------------|----------|--------------------------|----------|
| | Principal | Interest | Principal | Interest |
| 2025 | \$ 28,041 | \$ 1,932 | \$ 10,000 | \$ 1,978 |
| 2026 | 20,449 | 720 | 10,955 | 1,382 |
| 2027 | 5,636 | 344 | 11,975 | 732 |
| 2028 | 6,337 | - | 12,578 | - |
| Total Minimum Lease Payments | \$ 60,463 | \$ 2,996 | \$ 45,508 | \$ 4,092 |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS

The City maintains two defined benefit pension plans. The Firefighter's Retirement Trust Fund Chapter 175 Plan (Firefighters' Plan) covers substantially all full-time firefighters employed by the City. The City of Brooksville Retired Police Officers' Substituted Trust Fund (Retired Police Officers' Plan) covers only certain police retirees. There are no separately issued financial statements for either plan.

The statements of fiduciary net position for the two pension plans at September 30, 2024, are as follows:

| | Firefighter's Retirement Trust | Retired Police Officers' Substituted Trust | Total |
|---------------------------------|--------------------------------------|---|--------------|
| ASSETS | | | |
| Cash and Pooled Cash | \$ 186,035 | \$ 6,000 | \$ 192,035 |
| Investments: | | | |
| Debt Securities | 2,530,459 | 124,307 | 2,654,766 |
| Marketable Equity Securities | 5,505,040 | 200,564 | 5,705,604 |
| Real Estate Fund | 720,113 | - | 720,113 |
| Accounts Receivable | 16,759 | - | 16,759 |
| Total Assets | 8,958,406 | 330,871 | 9,289,277 |
| LIABILITIES | | | |
| Other Current Liabilities | - | - | - |
| NET POSITION | | | |
| Restricted for Pension Benefits | \$ 8,958,406 | \$ 330,871 | \$ 9,289,277 |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

The statement of changes in fiduciary net position for the two pension plans for the year ended September 30, 2024 is as follows:

| | Firefighter's Retirement Trust | Retired Police Officers' Substituted Trust | Total |
|-----------------------------------|--------------------------------------|---|---------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Employer | \$ 208,192 | \$ 24,360 | \$ 232,552 |
| Plan Members | 38,637 | - | 38,637 |
| State | 116,631 | - | 116,631 |
| Total Contributions | <u>363,460</u> | <u>24,360</u> | <u>387,820</u> |
| Investment Income: | | | |
| Net Increase in Fair Value | 1,425,065 | 58,290 | 1,483,355 |
| Interest/Dividends | 205,095 | 14,646 | 219,741 |
| Total Investment Earnings | <u>1,630,160</u> | <u>72,936</u> | <u>1,703,096</u> |
| Total Additions | <u>1,993,620</u> | <u>97,296</u> | <u>2,090,916</u> |
| DEDUCTIONS | | | |
| Benefit Payments | 507,093 | 30,521 | 537,614 |
| Administrative Expenses | 86,533 | 32,328 | 118,861 |
| Total Deductions | <u>593,626</u> | <u>62,849</u> | <u>656,475</u> |
| CHANGE IN NET POSITION | 1,399,994 | 34,447 | 1,434,441 |
| Net Position - Beginning of Year | <u>7,558,412</u> | <u>296,424</u> | <u>7,854,836</u> |
| NET POSITION - END OF YEAR | <u>\$ 8,958,406</u> | <u>\$ 330,871</u> | <u>\$ 9,289,277</u> |

Summary of Significant Accounting Policies

Basis of Accounting – The financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments – Investments are reported at fair value as described in Note 3.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter’s Retirement Trust Fund Chapter 175

The City provides a Firefighter’s Retirement Trust Fund Chapter 175 Plan (Firefighter’s Plan) covering substantially all full-time firefighters employed by the City. The plan was amended and restated by Ordinance 754-D, adopted by City Council on January 7, 2011. The plan is a single-employer defined benefit plan with actuarial valuations performed annually. Employees under the Firefighters’ Plan who are classified as full-time and volunteer firefighters shall participate in the system as a condition of employment. Employees are 100% vested after 10 years of credited service.

Plan Description

Employees who are classified as full-time and volunteer firefighters shall participate in the System as a condition of employment.

Fire employees are required to contribute 3.29% of their annual salary. The City is required to contribute the remaining amounts after employee and state contributions necessary to fund the plans as specified by ordinance.

Plan Administration

The Firefighter’s Plan is a single-employer defined benefit pension plan administered by the Firefighter’s Plan’s Board of Trustees comprised of:

- a. Two Council appointees,
- b. Two Members of the Department elected by the Membership, and
- c. A Fifth Member elected by the other four and appointed by Council.

Firefighter’s Plan membership as of October 1, 2023:

| | |
|---|-----------|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 16 |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 21 |
| Active Plan Members | 19 |
| Total | <u>56</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter’s Retirement Trust Fund Chapter 175 (Continued)

Plan Description (Continued)

The following is a summary of eligibility, contribution methods, and plan provisions:

Benefits Provided

The Firefighter’s Plan provides retirement, termination, disability, and death benefits.

Normal Retirement

| | |
|---------|--|
| Date | Earlier of age 60, age 55 and 10 years of Credit Service, or 20 years of Credited Service regardless of age. |
| Benefit | 3.1% of Average Final Compensation times Credited Service. |

Early Retirement

| | |
|-------------|--|
| Eligibility | Age 50 and 10 years of Credited Service. |
| Benefit | Accrued benefit, reduced 3% per year. |

Cost-of-Living Adjustment

3% increase each January 1 from age 55 through age 65.

Vesting

| | |
|----------------|--|
| Schedule | 100% after 10 years of Credited Service. |
| Benefit Amount | Member will receive the vested portion of his/her accrued benefit payable at the otherwise Normal Retirement date. |

Disability

| | |
|-------------|---|
| Eligibility | Service incurred: Covered from date of employment. Non-Service incurred: 10 years of Credited Service. |
| Benefit | Benefit accrued to date of disability but not less than 42% of Average Final Compensation (Service Incurred). |

Pre-Retirement Death Benefits

| | |
|-----------|---|
| Vested | Monthly accrued benefit payable to designated beneficiary for 10 years. |
| Nonvested | Refund of accumulated contributions, without interest. |

Post-Retirement Death Benefits

Benefits payable to beneficiary in accordance with option selected at retirement.

Contributions

| | |
|------------------------------|---|
| Member Contributions | 3.29% of Salary effective October 1, 2010. |
| City and State Contributions | Remaining amount required in order to pay current costs and amortize unfunded past service cost, if any. In no event will the City’s contribution be less than 5% of the total salary of the members, as provided in Part VII of Chapter 112, Florida Statutes. |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter’s Retirement Trust Fund Chapter 175 (Continued)

Plan Description (Continued)

Investment Policy

The following is the Firefighter’s Plan’s Board of Trustees adopted asset allocation policy as of September 30, 2024:

| <u>Asset Class</u> | <u>Target Allocation</u> |
|-----------------------|------------------------------|
| Domestic Equity | 45.00 % |
| International Equity | 15.00 |
| Domestic Fixed Income | 25.00 |
| Global Fixed Income | 5.00 |
| Real Estate | 10.00 |
| Total | <u>100.00 %</u> |

Concentrations

The Firefighter’s Plan did not hold investments in any one organization that represent 5% or more of the Pension Plan’s Fiduciary Net Position.

Rate of Return

For the year ended September 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 21.08%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for changing amount actually invested.

Actuarial Assumptions

The total pension liability was measured as of September 30, 2024 determined by an actuarial valuation as of October 1, 2023, rolled forward to the measurement date of September 30, 2024, using the following actuarial assumptions:

| | |
|---------------------------|---------------|
| Inflation | 2.50% |
| Salary Increases | Service Based |
| Discount Rate | 7.25% |
| Investment Rate of Return | 7.25% |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter's Retirement Trust Fund Chapter 175 (Continued)

Plan Description (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.25%, which was a decrease from the discount rate of 7.55% used for the prior measurement. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Firefighter's Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Deferred Retirement Option Program

| | |
|----------------|---|
| Eligibility | Satisfaction of Normal Retirement requirements. |
| Participation | Not to exceed the earlier of 60 months or the completion of 30 years of service with the City as a Firefighter. |
| Rate of Return | At Member's election, either 6.5% or Net Investment Return. |

The DROP balance as of September 30, 2024 is \$-0-.

Net Pension Liability

The table below shows the sensitivity of the net pension liability to the changes in the Discount Rate:

| | 1% Decrease 6.25% | Current Discount Rate 7.25% | 1% Increase 8.25% |
|---|----------------------|-----------------------------------|----------------------|
| Sponsor's Net Pension Liability (Asset) | \$ 1,618,648 | \$ 483,705 | \$ (371,580) |

The components of the net pension liability of the City on September 30, 2024 were as follows:

| | |
|-----------------------------------|-------------------|
| Total Pension Liability | \$ 9,442,111 |
| Less: Plan Fiduciary Net Position | 8,958,406 |
| Sponsor's Net Pension Liability | <u>\$ 483,705</u> |

| | |
|---|--------|
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 94.88% |
|---|--------|

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter's Retirement Trust Fund Chapter 175 (Continued)

Plan Description (Continued)

Net Pension Liability (Continued)

The schedule of changes in Net Pension Liability on September 30, 2024 was as follows:

| | Increase (Decrease) | | |
|--|----------------------------|--------------------------------|----------------------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Liability (Asset) |
| Balances at September 30, 2023 | \$ 8,436,862 | \$ 7,558,412 | \$ 878,450 |
| Changes for a Year: | | | |
| Service Cost | 163,690 | - | 163,690 |
| Interest | 634,087 | - | 634,087 |
| Change in Benefit Terms | 398,022 | - | 398,022 |
| Difference between Expected and Actual Experience | 39,386 | - | 39,386 |
| Assumption Changes | 264,393 | - | 264,393 |
| Contributions - Employer | - | 208,192 | (208,192) |
| Contributions - State | - | 116,631 | (116,631) |
| Contributions - Employee | - | 38,637 | (38,637) |
| Net Investment Income | - | 1,630,160 | (1,630,160) |
| Benefit Payments, Including Refunds of Employee Contributions | (507,455) | (507,093) | (362) |
| Administrative Expense | 13,126 | (86,533) | 99,659 |
| Net Changes | <u>1,005,249</u> | <u>1,399,994</u> | <u>(394,745)</u> |
| Balances at September 30, 2024 | <u>\$ 9,442,111</u> | <u>\$ 8,958,406</u> | <u>\$ 483,705</u> |

For the year ended September 30, 2024, the City recognized pension expense of \$784,163. On September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual Experience | \$ 19,693 | \$ - |
| Changes of Assumptions | 132,197 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | - | 354,072 |
| Total | <u>\$ 151,890</u> | <u>\$ 354,072</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Firefighter’s Retirement Trust Fund Chapter 175 (Continued)

Plan Description (Continued)

Net Pension Liability (Continued)

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

| <u>Year Ending September 30,</u> | <u>Amount</u> |
|----------------------------------|---------------------|
| 2025 | \$ 115,333 |
| 2026 | 130,629 |
| 2027 | (247,126) |
| 2028 | (201,018) |
| Total | <u>\$ (202,182)</u> |

City of Brooksville Retired Police Officers’ Substituted Trust Fund

Plan Description

On June 1, 2018, the City disbanded the police department and entered into an agreement with the Hernando County Sheriff’s Office to provide law enforcement services. The Police Retirement Trust Fund Chapter 185 plan (Prior Plan) termination date was also June 1, 2018. The City had 24 months under Section 185.37, Florida Statutes, to complete the termination. Plan members of the original plan were eligible for several options including: 1) payment in cash, 2) purchase of an insured annuity, or 3) maintenance of another or substituted trust fund. Those electing the first two options received their payouts early in fiscal year 2020. Those who elected the third option became members of the new plan.

On March 2, 2020, the City passed Ordinance No. 914 establishing the City of Brooksville Retired Police Officers’ Substituted Trust Fund (Retired Police Officers’ Plan), which is intended to be a governmental plan as provided in Internal Revenue Code Section 414(d). Substantially all remaining assets of the original plan were transferred to the new plan on that date. Therefore, the City is treating it as a continuation of the Prior Plan for financial reporting purposes. The Retired Police Officers’ Plan covers only retirees. There are no active plan members or employees of the City that are eligible to participate.

Plan Administration

The Retired Police Officers’ Plan is a single-employer defined benefit pension plan administered by the Board of Trustees comprised of:

- a. Two person who are City residents or a retiree of the Retired Police Officers’ Plan, elected by a majority of the retired members of this plan.
- b. City Finance Director
- c. One City resident selected by City Council
- d. Fifth Member appointed by City Council

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

City of Brooksville Retired Police Officers' Substituted Trust Fund (Continued)

Plan Description (Continued)

Plan membership as of October 1, 2022:

| | | |
|---|----|--|
| Inactive Plan Members or Beneficiaries Currently Receiving Benefits | 2 | |
| Inactive Plan Members Entitled to but Not Yet Receiving Benefits | 8 | |
| Total | 10 | |

The following is a summary of eligibility, contribution methods, and plan provisions:

Benefits Provided

The Plan provides retirement, disability, and death benefits.

Normal Retirement

Date 20 years of Credited Service before May 31, 2018, regardless of age; or attainment of age 55 and completion of 6 years of credited service.

Benefit 4.00% of Average Final Compensation times credited service.

Early Retirement

Eligibility Age 50 and 6 years of credited service.

Benefit Accrued benefit, reduced 3.00% per year.

Cost-of-Living Adjustment

3% increase each January 1 from age 55 through age 65.

Disability

There are no retired members entitled to disability benefits.

Death Benefits

Shall be paid in accordance with the form of benefit chosen at the time of retirement.

Contributions

There are no member contributions to the plan as there are no active members.

Investment Policy

The investment advisor is authorized to invest funds of the plan in equities in an amount not to exceed 70% of the net asset value of the plan.

Concentrations

The Police Officers' Plan does not have any individual issuer or organization concentration limits.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

City of Brooksville Retired Police Officers' Substituted Trust Fund (Continued)

Rate of Return

For the year ended September 30, 2024, the annual money-weighted rate of return on pension plan investments, net of Pension Plan investment expense, was 20.37%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Actuarial Assumptions

The total pension asset was measured as of September 30, 2024, determined by an actuarial valuation as of October 1, 2022, using the following actuarial assumptions:

| | |
|---------------------------|-------|
| Inflation | 2.50% |
| Salary Increases | N/A |
| Discount Rate | 7.25% |
| Investment Rate of Return | 7.25% |

Discount Rate

The discount rate used to measure the total pension liability was 7.25% which was no change from the discount rate used for the prior measurement. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that sponsor contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the Retired Police Officers' Plan 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.

Net Pension Liability

The table below shows the sensitivity of the net pension liability to the changes in the discount rate:

| | Current Discount | | |
|-----------------------------|----------------------|---------------|----------------------|
| | 1% Decrease 6.25% | Rate 7.25% | 1% Increase 8.25% |
| Sponsor's Net Pension Asset | \$ 22,519 | \$ (8,472) | \$ (29,355) |

The components of the net pension asset of the City on September 30, 2024 were as follows:

| | |
|-----------------------------------|------------|
| Total Pension Liability | \$ 322,395 |
| Less: Plan Fiduciary Net Position | 330,867 |
| Sponsor's Net Pension Liability | \$ (8,472) |

| | |
|---|---------|
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 102.63% |
|---|---------|

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

City of Brooksville Retired Police Officers' Substituted Trust Fund (Continued)

The schedule of changes in Net Pension Asset on September 30, 2024 was as follows:

| | Increase(Decrease) | | |
|--|----------------------------|--------------------------------|----------------------|
| | Total Pension Liability | Plan Fiduciary Net Position | Net Pension Asset |
| Balances at September 30, 2023 | \$ 328,571 | \$ 296,421 | \$ 32,150 |
| Changes for a Year: | | | |
| Interest | 22,772 | - | 22,772 |
| Contributions - Employer | - | 24,360 | (24,360) |
| Net Investment Income | - | 72,935 | (72,935) |
| Benefit Payments, Including Refunds of Employee Contributions | (28,948) | (30,521) | 1,573 |
| Administrative Expense | - | (32,328) | 32,328 |
| Net Changes | <u>(6,176)</u> | <u>34,446</u> | <u>(40,622)</u> |
| Balances at September 30, 2024 | <u>\$ 322,395</u> | <u>\$ 330,867</u> | <u>\$ (8,472)</u> |

For the year ended September 30, 2024, the City recognized pension expense of \$87,788. On September 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | <u>\$ 11,342</u> | <u>\$ -</u> |

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

| <u>Year Ending September 30,</u> | <u>Amount</u> |
|----------------------------------|------------------|
| 2025 | \$ 14,369 |
| 2026 | 14,034 |
| 2027 | (9,127) |
| 2028 | (7,934) |
| Total | <u>\$ 11,342</u> |

Florida Retirement System Pension Plan

Pursuant to Chapter 95-338, Laws of Florida, the City of Brooksville declared as its policy and purpose, a revocation of election to participate in the Florida Retirement System for all employees or officers hired on or after January 1, 1996. Effective January 1, 2002, the City elected to again participate in the Florida Retirement System for general employees and officers.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the City are eligible to enroll as members of the state-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

Plan Description

The Florida Retirement System Pension Plan (FRS Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. The general classes of membership are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Elected City Officers Class – Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) – Members in senior management level positions.
- Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, or at any age after 25 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

The following chart shows the percentage value for each year of service credit earned:

| <u>Class, Initial Enrollment, and Retirement Age/Years of Service:</u> | <u>% Value</u> |
|--|----------------|
| Regular Class Members Initially Enrolled Before July 1, 2011 | |
| Retirement Up to Age 62 or Up to 30 Years of Service | 1.60 % |
| Retirement at Age 63 or With 31 Years of Service | 1.63 |
| Retirement at Age 64 or With 32 Years of Service | 1.65 |
| Retirement at Age 65 or With 33 Years of Service | 1.68 |
| Regular Class Members Initially Enrolled On or After July 1, 2011 | |
| Retirement Up to Age 65 or Up to 33 Years of Service | 1.60 |
| Retirement at Age 66 or With 34 Years of Service | 1.63 |
| Retirement at Age 67 or With 35 Years of Service | 1.65 |
| Retirement at Age 68 or With 36 Years of Service | 1.68 |
| Elected City Officers | 3.00 |
| Senior Management Service Class | 2.00 |
| Special Risk Regular | |
| Service from December 1, 1970 through September 30, 1974 | 2.00 |
| Service On and After October 1, 1974 | 3.00 |

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the City, effective July 1, 2023, were applied to employee salaries as follows: regular employees 11.51%, city elected officials 56.62%, senior management 32.46%, and DROP participants 19.13%. The City's contributions to the FRS Plan were \$534,406 for the year ended September 30, 2024.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs

At September 30, 2024, the City reported a liability of \$3,524,083 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The City's proportion of the net pension liability was based on the City's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2024, the City's proportion was 0.009109759%, which was an increase of 0.00076658% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the City recognized pension expense of \$633,751 for its proportionate share of FRS's pension expense. In addition, the City reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual | | |
| Economic Experience | \$ 356,027 | \$ - |
| Changes in Actuarial Assumptions | 483,008 | - |
| Net Difference Between Projected and Actual Earnings on Pension Plan Investments | | 234,229 |
| Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions City Contributions Subsequent to the Measurement Date | 558,545 122,806 | 55,388 - |
| Total | <u>\$ 1,520,386</u> | <u>\$ 289,617</u> |

\$122,806 reported as deferred outflows of resources related to pensions resulting from City contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

| <u>Year Ending September 30,</u> | Amount |
|----------------------------------|---------------------|
| 2025 | \$ 69,133 |
| 2026 | 751,161 |
| 2027 | 173,506 |
| 2028 | 68,397 |
| 2029 | 45,766 |
| Total | <u>\$ 1,107,963</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------------|-------------------------------------|
| Inflation | 2.40% per Year |
| Salary Increases | 3.50%, Average, Including Inflation |
| Investment Rate of Return | 6.70% |

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with scale MP-2021. The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

| <u>Asset Class</u> | <u>Target Allocation</u> | <u>Annual Arithmetic Return</u> | <u>Compound Annual (Geometric) Return</u> | <u>Standard Deviation</u> |
|--------------------------|------------------------------|---|---|-------------------------------|
| Cash | 1.0 % | 3.3 % | 3.3 % | 1.1 % |
| Fixed Income | 29.0 | 5.7 | 5.6 | 3.9 |
| Global Equity | 45.0 | 8.6 | 7.0 | 18.2 |
| Real Estate | 12.0 | 8.1 | 6.8 | 16.6 |
| Private Equity | 11.0 | 12.4 | 8.8 | 28.4 |
| Strategic Investments | 2.0 | 6.6 | 6.2 | 8.7 |
| Total | <u>100.0 %</u> | | | |
| Assumed Inflation - Mean | | | 2.4 % | 1.5 % |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for the FRS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

| Description | 1% Decrease | Current Discount Rate | 1% Increase |
|---|--------------|-----------------------------|--------------|
| FRS Plan Discount Rate | 5.70 % | 6.70 % | 7.70 % |
| City's Proportionate Share of the FRS Plan Net Pension Liability | \$ 6,198,739 | \$ 3,524,083 | \$ 1,283,492 |

Pension Plan Fiduciary Net Position

Detailed information about the FRS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

Retiree Health Insurance Subsidy Program

Plan Description

The Retiree Health Insurance Subsidy Program (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2024, the contribution rate was 2% of payroll pursuant to section 112.363, Florida Statutes. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The City's contributions to the HIS Plan were \$86,625 for the year ended September 30, 2024.

Pension Costs

At September 30, 2024, the City reported a liability of \$1,504,107 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The City's proportion of the net pension liability was based on the City's contributions received during the measurement period for employer payroll paid dates from July 1, 2023, through June 30, 2024, relative to the total employer contributions received from all participating employers. At June 30, 2024, the City's proportion was 0.01002673%, which was an increase of 0.00024658% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the City recognized pension expense of \$96,654 for its proportionate share of HIS's pension expense. In addition, the City reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs (Continued)

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences Between Expected and Actual | | |
| Economic Experience | \$ 14,523 | \$ 2,888 |
| Changes in Actuarial Assumptions | 26,619 | 178,067 |
| Net Difference Between Projected and Actual Earnings on HIS Program Investments | - | 544 |
| Changes in Proportion and Differences Between City Contributions and Proportionate Share of Contributions | 187,045 | 16,723 |
| City Contributions Subsequent to the Measurement Date | 20,115 | - |
| Total | <u>\$ 248,302</u> | <u>\$ 198,222</u> |

\$20,115 reported as deferred outflows of resources related to pensions resulting from City contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

| <u>Year Ending September 30,</u> | <u>Amount</u> |
|----------------------------------|------------------|
| 2025 | \$ 17,138 |
| 2026 | 20,410 |
| 2027 | 4,674 |
| 2028 | (3,187) |
| 2029 | (6,669) |
| Thereafter | (2,401) |
| Total | <u>\$ 29,965</u> |

Actuarial Assumptions

The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|---------------------|-------------------------------------|
| Inflation | 2.40% per Year |
| Salary Increases | 3.50%, Average, Including Inflation |
| Municipal Bond Rate | 3.93% |

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2021. The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 3.93% for the HIS Plan, which was a .8 increase from the 3.65% rate as of June 30, 2023. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

The following presents the City's proportionate share of the net pension liability for the HIS Plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

| Description | 1% Decrease | Current Discount Rate | 1% Increase |
|---|--------------|-----------------------------|--------------|
| HIS Plan Discount Rate | 2.93 % | 3.93 % | 4.93 % |
| City's Proportionate Share of the HIS Plan Net Pension Liability | \$ 1,712,232 | \$ 1,504,107 | \$ 1,331,329 |

Pension Plan Fiduciary Net Position

Detailed information about the HIS Plan's fiduciary's net position is available in a separately-issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. That report may be obtained through the Florida Department of Management Services website at <http://www.dms.myflorida.com>.

Summary

The aggregate amount of net pension liability related deferred inflows of resources and deferred outflows of resources, and pension expense for the City's defined benefit pension plans are summarized below. These liabilities are typically liquidated by the individual funds in which the employee's costs are associated.

| | Firefighters' Retirement Plan | Police Officers' Retirement Plan | FRS Plan | HIS Plan | Total |
|--------------------------------|-------------------------------------|---|--------------|--------------|--------------|
| Net Pension Liability | \$ 483,705 | \$ (8,472) | \$ 3,524,083 | \$ 1,504,107 | \$ 5,503,423 |
| Deferred Outflows of Resources | 151,890 | 11,342 | 1,520,386 | 248,302 | 1,931,920 |
| Deferred Inflows of Resources | 354,072 | - | 289,617 | 198,222 | 841,911 |
| Pension Expense | 784,163 | 87,788 | 633,751 | 96,654 | 1,602,356 |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 8 DEFINED CONTRIBUTION PENSION PLAN

Investment Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. City employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected City Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the City.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The City's Investment Plan pension expense totaled \$179,193 for the year ended September 30, 2024. Employee contributions to the Investment Plan totaled \$30,047 for the year ended September 30, 2024.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City is obligated to make available to qualified retired employees the option to maintain coverage with the group medical (including prescription drug) and life insurance plans sponsored by the City. The City of Brooksville Plan (the Plan) is a single-employer defined benefit OPEB plan. The Plan is currently being funded on a pay as you go basis. No trust fund has been established for the Plan.

Benefits Provided

The City provides health insurance benefits and life insurance to its eligible retired employees through a single-employer plan administered by the City. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the City may continue in the City's Plan on the same basis that they were covered immediately before their retirement. Eligible retirees may choose the same medical plan available for active employees of the City. Timely premium contributions of 100% of the premium cost are required for retiree and any dependent coverage. Retirees may also continue the group life insurance coverage offered by the City into retirement. Retirees are limited to \$15,000 face value and are charged a set monthly premium.

Employees Covered by Benefit Terms

At September 30, 2022, the following employees were covered by the benefit terms:

| | |
|----------------------------|------------|
| Retirees and Beneficiaries | 16 |
| Active Plan Members | 87 |
| Total | <u>103</u> |

Total OPEB Liability

The City's Total OPEB liability was measured as of September 30, 2023 and was determined by an actuarial valuation as of September 30, 2022. The following table shows the City's total OPEB liability for the year ended September 30, 2024.

| | |
|------------------------------|-------------------------|
| | Total OPEB Liability |
| Balance - October 1, 2023 | \$ 437,094 |
| Changes for the Year: | |
| Service Cost | 37,180 |
| Interest | 20,471 |
| Changes in Assumptions | (16,126) |
| Benefit Payments | (18,052) |
| Net Changes | <u>23,473</u> |
| Balance - September 30, 2024 | <u>\$ 460,567</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Discount Rate Sensitivity

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:

| Description | 1% Decrease in Discount Rate | Discount Rate | 1% Increase in Discount Rate |
|-------------------------|------------------------------------|------------------|------------------------------------|
| OPEB Plan Discount Rate | 3.63% | 4.63% | 5.63% |
| Total OPEB Liability | \$ 536,540 | \$ 460,567 | \$ 399,356 |

Healthcare Trend Rate Sensitivity

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:

| Description | 1% Decrease in Healthcare Cost Trend Rate | Healthcare Cost Trend Rate | 1% Increase in Healthcare Cost Trend Rate |
|----------------------|--|----------------------------------|--|
| Total OPEB Liability | \$ 428,856 | \$ 460,567 | \$ 501,171 |

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

For the year ended September 30, 2024, the City recognized an OPEB expense of \$20,985. In addition, the City reported deferred outflows of resources and deferred inflows of resources from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Changes of Assumptions | \$ 39,510 | \$ 68,310 |
| Difference Between Expected and Actual Experience | - | 176,100 |
| Employer Benefits Paid Subsequent to the Measurement Date | 19,696 | - |
| Total | <u>\$ 59,206</u> | <u>\$ 244,410</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$19,696 reported as deferred outflows of resources related to OPEB resulting from City benefits paid subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended September 30, 2025. Other amounts reported as deferred inflows and outflows of resources related to OPEB will be recognized as an decrease in OPEB expense as follows:

| <u>Year Ending September 30,</u> | <u>Amount</u> |
|----------------------------------|---------------------|
| 2024 | \$ (35,619) |
| 2025 | (37,942) |
| 2026 | (44,096) |
| 2027 | (24,213) |
| 2028 | (25,913) |
| Thereafter | (37,117) |
| Total | <u>\$ (204,900)</u> |

Actuarial Assumptions

The total OPEB liability in the September 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

| | |
|-----------------------------|---|
| Inflation | 2.50% |
| Salary Increases | Employees other than firefighters: Salary increase rates used in the July 1, 2022 actuarial valuation of the Florida Retirement System for Regular Class members; 3.4% - 7.8%, including inflation. Firefighters: Salary increase rates used by the pension actuary in the September 30, 2022 actuarial valuation of the City's Firefighters' Retirement Trust Fund. |
| Healthcare Cost Trend Rates | Based on the Getzen Model, with trend starting at 8.00%, followed by 6.50% for 2024, and gradually decreasing to an ultimate trend rate of 4.00%. |

The actuarial cost method used was the Entry Age Normal method.

Mortality tables used for non-K-12 Instructional Regular Class and Special Risk Class members in the July 1, 2022 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

The discount rate used to measure the total OPEB liability was 4.63%, based on a daily rate closest to but not later than the measurement date of Fidelity's "20-year Municipal GO AA Index."

The discount rate was 4.40% as of the beginning of the measurement year.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 TRUST FUNDS

Butterweck Bond Fund

This Fund is used for the future maintenance of the Butterweck Crypt of the Brooksville Cemetery. As of September 30, 2024, the balance remaining is \$1,765.

NOTE 11 PROPERTY TAXES

Property tax collections, sales, and liens are governed by Chapter 197 of the Florida Statutes.

All property taxes are levied and become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4%, 3%, 2%, and 1% in November through February, respectively. Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale of a tax certificate by paying all taxes, costs, advertising charges, and interest of 18% per annum. For all real property with delinquent taxes, the Tax Collector advertises as required by Statute and sells tax certificates. All unsold certificates are issued to the County.

Any persons owning real property upon which a tax certificate has been sold may redeem the property by paying the Tax Collector the face amount of the tax certificate plus interest and costs associated with the sale of the certificate. After taxes have been delinquent (April 1) for two years, the owner of a tax certificate may file an application for tax deed sale. The County is able to do the same two years after taxes were due (November 1). All taxes imposed on any property become a first lien, superior to all other liens, as of January 1 of the year the taxes are levied.

NOTE 12 RISK MANAGEMENT

The City's risk management activities are spread through several funds including the General, Utility, and Sanitation funds. Significant losses are covered by commercial insurance, workers' compensation, unemployment, and disability insurance. Settlement amounts have not exceeded insurance coverage for the current year or prior three years. The City carries such insurance as is ordinarily carried by private or public corporations owning and operating similar utilities. The City, in addition to general liability and personal liability for auto accidents and property damage of autos, buildings and equipment, carries an umbrella policy for an additional \$1,000,000. The City does not carry insurance against loss or damage to the Utility Fund's water meters, fire hydrants, or water and sewer lines, but self-funds these expenses.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 13 IMPACT FEES

On September 20, 2005, the Hernando County Board of County Commissioners voted to extend the prepayment of impact fees from one to three years. County property owners were allowed to prepay their impact fees prior to an increase on July 5, 2005. County property owners who prepaid impact fees were given until June 2, 2008 to obtain a building permit. If a building permit was not pulled by June 2, 2008, the increased impact fees would be charged. Subsequently, the Hernando County Board of Commissioners extended the prepaid program through June 2012. Through Interlocal Agreement, the City opted to assess the same impact fees for roads, public buildings, police, fire, parks, and schools as Hernando County. The City stopped collecting Impact Fees effective November 2011, and impact fees were reinstated for year ending September 30, 2015. As of September 30, 2024, the City had the following in prepaid impact fees: Road Impact Fees \$4,779, Public Building Impact Fees \$525; Police Impact Fees \$341; Fire Impact Fees \$230; and Parks Impact Fees \$318. The amounts are reflected as unearned revenues in the accompanying financial statements.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 GOVERNMENTAL FUND BALANCES

The specific purpose detail for the fund balances of governmental funds as of September 30, 2024 were as follows:

| | Major Funds | | | | | | Total Governmental Funds |
|-------------------------|---------------------|--|----------------------------|------------------------------------|--------------------------------|-----------------------------------|--------------------------------|
| | General Fund | City of Brooksville Community Redevelopment Agency | Fire Department Fund | Local Option Gas Tax Fund | Road Impact Fees Fund | Nonmajor Governmental Funds | |
| Nonspendable: | | | | | | | |
| Inventories | \$ 2,493 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,493 |
| Prepaid Items | 58,390 | - | - | - | - | - | 58,390 |
| Advance to Other Funds | 58,388 | - | - | - | - | - | 58,388 |
| Cemetery: | | | | | | | |
| Perpetual Care | - | - | - | - | - | 253,430 | 253,430 |
| Total Nonspendable | 119,271 | - | - | - | - | 253,430 | 372,701 |
| Restricted: | | | | | | | |
| Community Redevelopment | - | 140,907 | - | - | - | - | 140,907 |
| Law Enforcement | - | - | - | - | - | 267,660 | 267,660 |
| Infrastructure Projects | - | - | - | - | 2,646,819 | 976,569 | 3,623,388 |
| Enrichment Center | - | - | - | - | - | 5,011 | 5,011 |
| Public Works Building | - | - | - | - | - | - | - |
| Transportation | - | - | - | 524,989 | - | 1,161,497 | 1,686,486 |
| Capital Projects | - | - | 27,083 | - | - | 2,748 | 29,831 |
| Debt Service | - | - | - | - | - | 82,468 | 82,468 |
| Total Restricted | - | 140,907 | 27,083 | 524,989 | 2,646,819 | 2,495,953 | 5,835,751 |
| Committed: | | | | | | | |
| Traffic Camera | - | - | - | - | - | 14,228 | 14,228 |
| Assigned: | | | | | | | |
| Capital Projects | - | - | - | - | - | 82,503 | 82,503 |
| Community Redevelopment | - | 55,000 | - | - | - | - | 55,000 |
| Cemetery: | | | | | | | |
| Perpetual Care | - | - | - | - | - | 192,748 | 192,748 |
| Total Assigned | - | 55,000 | - | - | - | 275,251 | 330,251 |
| Unassigned (Deficit) | 6,434,322 | - | - | - | - | - | 6,434,322 |
| Total Fund Balance | <u>\$ 6,553,593</u> | <u>\$ 195,907</u> | <u>\$ 27,083</u> | <u>\$ 524,989</u> | <u>\$ 2,646,819</u> | <u>\$ 3,038,862</u> | <u>\$ 12,987,253</u> |

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 15 COMMITMENTS AND CONTINGENCIES

Commitments

The City routinely enters into various construction commitments. As of September 30, 2024, the City has the following outstanding major construction commitments in process:

| <u>Project</u> | <u>Project Authorization</u> | <u>Expended in Prior Years</u> | <u>Expended in September 30, 2024</u> | <u>Commitment</u> |
|---|----------------------------------|------------------------------------|---|---------------------|
| Governmental Activities: | | | | |
| East Avenue Drainage | \$ 429,871 | \$ 426,353 | \$ - | \$ 3,518 |
| Cemetery Expansion | 56,289 | 42,969 | - | 13,320 |
| TVP Stadium Repairs | 464,920 | 100,130 | 255,031 | 109,759 |
| Splash Pad | 542,176 | - | 525,854 | 16,322 |
| New DPW Building | 4,612,588 | 356,345 | 3,184,178 | 1,072,065 |
| Russel Street Paving Project | 262,071 | - | 218,869 | 43,202 |
| Total Governmental Activities | <u>\$ 6,367,915</u> | <u>\$ 925,797</u> | <u>\$ 4,183,932</u> | <u>\$ 1,258,186</u> |
| Business-Type Activities: | | | | |
| Lamar Ave. Drinking Water Plant | 889,398 | 628,888 | 253,648 | 6,862 |
| Waterline Relocate - GNT | 919,387 | 861,264 | - | 58,123 |
| Cortez Blvd Master Lift Station Project | 120,120 | 66,212 | 26,899 | 27,009 |
| Oxidation Ditch | 9,335 | 2,474 | - | 6,862 |
| Sewer Rehab Phase IV | 4,169,169 | 129,796 | 1,314,127 | 2,725,246 |
| Total Business-Type Activities | <u>\$ 6,107,409</u> | <u>\$ 1,688,634</u> | <u>\$ 1,594,674</u> | <u>\$ 2,824,101</u> |

Contingencies

Various suits and claims, arising in the ordinary course of the City's operations, are pending. These claims consist of suits involving sewer fees, loss of employment and discrimination. Management does not expect the resolution of these matters to have a material effect on the City's financial statements.

At September 30, 2024, the City held approximately \$1.69 million of road impact fees that were collected more than ten years ago. A significant portion of these impact fees have been encumbered.

Grants

Amounts received or receivable for grants are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**CITY OF BROOKSVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 16 SUBSEQUENT EVENTS

The City of Brooksville entered into a interlocal agreement with Hernando County to consolidate fire and emergency medical services, effective October 1, 2025. For fiscal year 2026, the City will pay Hernando County \$1,478,341.89 in twelve monthly installments for these services. Beginning in fiscal year 2027, Hernando County will directly assess and collect fire service fees from Brooksville property owners and assume all related service liabilities. The County will lease the City's fire station at 85 Veterans Avenue for \$1 in fiscal year 2026, with market rent terms commencing in fiscal year 2027. These actions occurred after September 30, 2024, and do not affect the financial statements for the year then ended.

Subsequent to year end, the City executed Amendment 3 to the Florida Department of Environmental Protection (DEP) State Revolving Loan Agreement WW270220, which revised the loan repayment schedule, rescheduled project completion to November 15, 2025, and confirmed the first semiannual loan payment of \$19,800 due May 15, 2026. On May 4, 2021, the City of Brooksville entered into a Clean Water State Revolving Fund (SRF) Loan Agreement (WW270220) with the Florida Department of Environmental Protection, establishing a total loan award of \$3,600,000. Of this amount, \$2,880,000 was designated as principal forgiveness and \$720,000 as the repayable loan amount. In November 2024, the City received a loan disbursement of \$1,067,041 under the SRF agreement. Of this amount, \$853,632 was recognized as principal forgiveness, with the remaining \$213,408 recorded as a repayable loan balance. These actions occurred after September 30, 2024, and do not affect the financial statements for the year then ended.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
FIREFIIGHTERS’ RETIREMENT TRUST FUND CHAPTER 175 PLAN
LAST TEN FISCAL YEARS

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---------------------|---------------------|-------------------|-------------------|-------------------|-------------------|---------------------|---------------------|-------------------|-------------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 122,018 | \$ 127,478 | \$ 125,632 | \$ 150,432 | \$ 110,943 | \$ 143,254 | \$ 151,372 | \$ 153,423 | \$ 159,253 | \$ 163,690 |
| Interest | 554,808 | 539,879 | 508,878 | 543,429 | 556,749 | 563,667 | 572,145 | 590,991 | 612,311 | 634,087 |
| Change in Benefit Terms | - | - | - | - | (207) | - | - | - | - | 398,022 |
| Change in Excess State Money | - | - | 28,271 | - | - | (1,273) | - | - | - | - |
| Differences Between Expected and Actual Experience | (277,496) | (103,758) | (221,245) | 82,081 | (176,362) | (9,804) | (19,875) | 112,365 | 122,296 | 39,386 |
| Changes of Assumptions | - | 213,065 | - | (33,387) | - | (161,047) | 78,994 | - | - | 264,393 |
| Benefit Payments, Including Refunds of Employee Contributions | (313,547) | (881,295) | (583,203) | (443,859) | (430,468) | (435,961) | (430,767) | (441,261) | (719,193) | (507,455) |
| Administrative Expense | - | - | - | - | - | - | - | - | 3,454 | 13,126 |
| Net Change in Total Pension Liability | 85,783 | (104,631) | (141,667) | 298,696 | 60,655 | 98,836 | 351,869 | 415,518 | 178,121 | 1,005,249 |
| Total Pension Liability - Beginning | 7,193,682 | 7,279,465 | 7,174,834 | 7,033,167 | 7,331,863 | 7,392,518 | 7,491,354 | 7,843,223 | 8,258,741 | 8,436,862 |
| Total Pension Liability - Ending | <u>7,279,465</u> | <u>7,174,834</u> | <u>7,033,167</u> | <u>7,331,863</u> | <u>7,392,518</u> | <u>7,491,354</u> | <u>7,843,223</u> | <u>8,258,741</u> | <u>8,436,862</u> | <u>9,442,111</u> |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | 263,827 | 315,784 | 311,742 | 302,731 | 316,938 | 244,967 | 244,189 | 214,943 | 201,349 | 208,192 |
| Contributions - State | 84,222 | 71,580 | 86,827 | 77,143 | 74,872 | 66,751 | 59,955 | 34,514 | 36,136 | 116,631 |
| Contributions - Employee | 20,999 | 24,646 | 24,914 | 26,044 | 30,829 | 31,753 | 32,297 | 76,428 | 109,839 | 38,637 |
| Net Investment Income | (98,629) | 342,409 | 691,977 | 474,955 | 360,409 | 681,821 | 1,432,304 | (1,206,566) | 794,301 | 1,630,160 |
| Benefit Payments, Including Refunds of Employee Contributions | (313,547) | (881,295) | (583,203) | (443,859) | (430,634) | (435,200) | (429,778) | (451,604) | (684,871) | (507,093) |
| Administrative Expense | (48,230) | (42,052) | (73,972) | (78,944) | (87,634) | (81,304) | (87,670) | (87,839) | (87,542) | (86,533) |
| Other Changes | - | - | - | - | 159 | 168 | 1,138 | 2,739 | - | - |
| Net Change in Plan Fiduciary Net Position | (91,358) | (168,928) | 458,285 | 358,070 | 264,939 | 508,956 | 1,252,435 | (1,417,385) | 369,212 | 1,399,994 |
| Plan Fiduciary Net Position - Beginning | 6,024,186 | 5,932,828 | 5,763,900 | 6,222,185 | 6,580,255 | 6,845,194 | 7,354,150 | 8,606,585 | 7,189,200 | 7,558,412 |
| Plan Fiduciary Net Position - Ending | <u>5,932,828</u> | <u>5,763,900</u> | <u>6,222,185</u> | <u>6,580,255</u> | <u>6,845,194</u> | <u>7,354,150</u> | <u>8,606,585</u> | <u>7,189,200</u> | <u>7,558,412</u> | <u>8,958,406</u> |
| City's Net Pension (Asset)/Liability - Ending | <u>\$ 1,346,637</u> | <u>\$ 1,410,934</u> | <u>\$ 810,982</u> | <u>\$ 751,608</u> | <u>\$ 547,324</u> | <u>\$ 137,204</u> | <u>\$ (763,362)</u> | <u>\$ 1,069,541</u> | <u>\$ 878,450</u> | <u>\$ 483,705</u> |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 83.74% | 80.33% | 88.47% | 89.75% | 92.60% | 98.17% | 109.73% | 87.05% | 89.59% | 94.88% |
| Covered Payroll | \$ 732,006 | \$ 749,109 | \$ 786,866 | \$ 790,608 | \$ 940,588 | \$ 939,524 | \$ 981,667 | \$ 1,049,061 | \$ 1,098,358 | \$ 1,249,462 |
| City's Net Pension (Asset)/Liability as a Percentage of Covered Payroll | 190.25% | 188.35% | 103.06% | 95.07% | 58.19% | 14.60% | -77.76% | 101.95% | 79.98% | 38.71% |

Notes to Schedule:

Changes of Assumptions:

Total Pension Liability as of the September 30, 2024 measurement date reflects the following assumption changes:

- The discount rate was updated from 7.55% to 7.25%.
- Updated retirement and termination rates.
- Adjusted salary increase rates upward with higher rates for service between 2-5 years.

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
RETIRED POLICE OFFICERS’ SUBSTITUTED TRUST FUND PLAN
LAST TEN FISCAL YEARS

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|------------|
| Total Pension Liability | | | | | | | | | | |
| Service Cost | \$ 375,707 | \$ 389,348 | \$ 412,219 | \$ 231,019 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Interest | 339,216 | 361,055 | 419,346 | 321,058 | 342,688 | 308,887 | 23,615 | 23,343 | 23,241 | 22,772 |
| Change in Excess State Money | - | - | (9,465) | - | - | - | - | - | - | - |
| Differences Between Expected and Actual Experience | (433,973) | (91,070) | 231,600 | - | - | - | - | 4,320 | - | - |
| Plan Termination | - | - | - | 452,250 | 1,094,223 | (83,569) | - | - | - | - |
| Changes of Assumptions | - | 274,425 | - | - | - | (9,455) | - | - | - | - |
| Other Changes | - | (17,723) | 22,846 | - | - | - | - | - | - | - |
| Benefit Payments, Including Refunds of Employee Contributions | (662) | (6,143) | (21,827) | (186,724) | (258,746) | (8,274,230) | (27,091) | (27,637) | (30,483) | (28,948) |
| Net Change in Total Pension Liability | 280,288 | 909,892 | 1,054,719 | 817,603 | 1,178,165 | (8,058,367) | (3,476) | 26 | (7,242) | (6,176) |
| Total Pension Liability - Beginning | 4,156,963 | 4,437,251 | 5,347,143 | 6,401,862 | 7,219,465 | 8,397,630 | 339,263 | 335,787 | 335,813 | 328,571 |
| Total Pension Liability - Ending | 4,437,251 | 5,347,143 | 6,401,862 | 7,219,465 | 8,397,630 | 339,263 | 335,787 | 335,813 | 328,571 | 322,395 |
| Plan Fiduciary Net Position | | | | | | | | | | |
| Contributions - Employer | 83,922 | 305,679 | 396,856 | 228,319 | - | 1,518,215 | - | - | - | 24,360 |
| Contributions - State | 94,044 | 99,121 | - | 114,101 | 117,524 | - | - | - | - | - |
| Contributions - Employee | 12,418 | 13,413 | 12,149 | 7,796 | - | - | - | - | - | - |
| Net Investment Income | (77,684) | 470,503 | 675,930 | 569,054 | 141,140 | 28,259 | 42,766 | (71,439) | 38,285 | 72,935 |
| Benefit Payments, Including Refunds of Employee Contributions | (662) | (6,143) | (21,827) | (186,724) | (277,107) | (8,274,230) | (27,091) | (27,637) | (28,739) | (30,521) |
| Administrative Expense | (18,925) | (30,335) | (39,809) | (112,855) | (115,304) | (69,537) | (51,520) | (31,680) | (41,345) | (32,328) |
| Net Change in Plan Fiduciary Net Position | 93,113 | 852,238 | 1,023,299 | 619,691 | (133,747) | (6,797,293) | (35,845) | (130,756) | (31,799) | 34,446 |
| Plan Fiduciary Net Position - Beginning | 4,837,520 | 4,930,633 | 5,782,871 | 6,806,170 | 7,425,861 | 7,292,114 | 494,821 | 458,976 | 328,220 | 296,421 |
| Plan Fiduciary Net Position - Ending | 4,930,633 | 5,782,871 | 6,806,170 | 7,425,861 | 7,292,114 | 494,821 | 458,976 | 328,220 | 296,421 | 330,867 |
| City's Net Pension (Asset)/Liability - Ending | \$ (493,382) | \$ (435,728) | \$ (404,308) | \$ (206,396) | \$ 1,105,516 | \$ (155,558) | \$ (123,189) | \$ 7,593 | \$ 32,150 | \$ (8,472) |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 111.12% | 108.15% | 106.32% | 102.86% | 86.84% | 145.85% | 136.69% | 97.74% | 90.22% | 102.63% |
| Covered Payroll* | \$ 1,241,801 | \$ 1,341,342 | \$ 1,214,837 | \$ 737,813 | N/A | N/A | N/A | N/A | N/A | N/A |
| City's Net Pension Liability as a Percentage of Covered Payroll | -39.73% | -32.48% | -33.28% | -27.97% | N/A | N/A | N/A | N/A | N/A | N/A |

* The Covered Payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

Notes to Schedule:

Plan Termination:

On May 31, 2018 the City disbanded the police department and entered into an agreement with the Hernando County Sheriff's Office to provide law and enforcement services. The plan has been terminated and a substituted Trust for the distribution of pension benefits to retired and former police officers became effective as of March 2, 2020.

Changes of Assumptions:

Total Pension Liability and GASB 68 Pension Expense measured as of September 30, 2024 reflect no assumption changes.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CONTRIBUTIONS –
FIREFIGHTERS’ RETIREMENT TRUST FUND CHAPTER 175 PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|------------|------------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| Actuarially Determined Contribution | \$ 348,049 | \$ 387,364 | \$ 397,604 | \$ 380,520 | \$ 385,265 | \$ 327,142 | \$ 294,991 | \$ 267,090 | \$ 272,613 | \$ 321,362 |
| Contributions in Relation to the Actuarially Determined Contributions | 348,049 | 387,364 | 398,569 | 379,874 | 391,810 | 311,718 | 304,144 | 269,500 | 308,585 | 343,204 |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ (965) | \$ 646 | \$ (6,545) | \$ 15,424 | \$ (9,153) | \$ (2,410) | \$ (35,972) | \$ (21,842) |
| Covered Payroll * | \$ 732,006 | \$ 749,109 | \$ 786,866 | \$ 790,608 | \$ 940,588 | \$ 939,524 | \$ 981,667 | \$ 1,049,061 | \$ 1,098,358 | \$ 1,249,462 |
| Contributions as a Percentage of Covered Payroll | 47.55% | 51.71% | 50.65% | 48.05% | 41.66% | 33.18% | 30.98% | 25.69% | 28.10% | 27.47% |

* The Covered Payroll numbers shown are in compliance with GASB 82, except for the 9/30/2015 measurement period which includes DROP payroll.

**CITY OF BROOKSVILLE, FLORIDA
 SCHEDULE OF EMPLOYER CONTRIBUTIONS –
 FIREFIGHTERS’ RETIREMENT TRUST FUND CHAPTER 175 PLAN (CONTINUED)
 LAST TEN FISCAL YEARS**

Notes to the Schedule of Contributions

Valuation Date: 10/1/2023

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

Methods and assumptions used to determine contribution rates:

Inflation 2.50%

Salary Increases Service Based

Discount Rate 7.25%

Investment Rate of Return 7.25%

Mortality Rate *Mortality Rate Healthy Lives:*
 Female: PubS.H-2010 for Employees, set forward one year.
 Male: PubS.H-2010 (Below Median) for Employees, set forward one year.
Mortality Rate Healthy Retiree Lives:
 Female: PubS.H-2010 for Healthy Retirees, set forward one year.
 Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.
Mortality Rate Beneficiary Lives:
 Female: PubG.H-2010 (Below Median) for Healthy Retirees.
 Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.
Mortality Rate Disabled Lives:
 80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.
 All rates are projected generationally with Mortality Improvement Scale MP-2018.
 We feel this assumption sufficiently accommodates future mortality improvements.
 The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.
 The most recent actuarial experience study used to review the other significant assumptions was dated December 15, 2024.

Investment Rate of Return The Long-Term Expected Rate of Return on Pension Plan investments can be 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.

Inflation Rate For 2024, the inflation rate assumption of the investment advisor was 2.50%. 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.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CONTRIBUTIONS –
RETIRED POLICE OFFICERS’ SUBSTITUTED TRUST FUND PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|--------------|--------------|--------------------|--------------------|--------------------|-----------------------|-------------|-------------|-------------|-------------|
| Actuarially Determined Contribution | \$ 378,753 | \$ 422,523 | \$ 383,475 | \$ 279,631 | \$ 90,622 | \$ 97,133 | \$ - | \$ - | \$ - | \$ 24,360 |
| Contributions in Relation to the Actuarially Determined Contributions | 177,966 | 404,800 | 396,856 | 342,420 | 117,524 | 1,518,215 | - | - | - | 24,360 |
| Contribution from Excess State Money | - | - | 9,465 | - | - | - | - | - | - | - |
| Contribution from Contribution Surplus Account | 200,787 | 17,723 | - | - | - | - | - | - | - | - |
| Contribution Deficiency (Excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (22,846)</u> | <u>\$ (62,789)</u> | <u>\$ (26,902)</u> | <u>\$ (1,421,082)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Covered Payroll * | \$ 1,241,801 | \$ 1,341,342 | \$ 1,214,837 | \$ 737,813 | N/A | N/A | N/A | N/A | N/A | N/A |
| Contributions as a Percentage of Covered Payroll | 14.33% | 30.18% | 32.67% | 46.41% | N/A | N/A | N/A | N/A | N/A | N/A |

* The Covered Payroll figures were not available. Pensionable Salary has been reported instead.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CONTRIBUTIONS –
RETIRED POLICE OFFICERS’ SUBSTITUTED TRUST FUND PLAN (CONTINUED)
LAST TEN FISCAL YEARS**

Notes to the Schedule of Contributions

Valuation Date: 10/1/2022

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

Methods and assumptions used to determine contribution rates:

Inflation 2.50%

Salary Increases N/A

Discount Rate 7.25%

Investment Rate of Return 7.25%

Mortality *Healthy Active Lives:*
Female: PubS.H-2010 for Employees, set forward one year.
Male: PubS.H-2010 (Below Median) for Employees, set forward one year.
Retiree Lives:
Female: PubS.H-2010 for Healthy Retirees, set forward one year.
Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.
Beneficiary Lives:
Female: PubG.H-2010 (Below Median) for Healthy Retirees.
Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.
Disabled Lives:
80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.
All rates are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements. The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman’s July 1, 2021 FRS valuation report for special risk employees.
The most recent actuarial experience study used to review the other significant assumptions was dated May 14, 2012.

Investment Rate of Return The Long-Term Expected Rate of Return on Pension Plan investments can be 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.

Inflation Rate For 2024 the inflation rate assumption of the investment advisor was 2.50%. 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.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF INVESTMENT RETURNS –
FIREFIGHTERS' RETIREMENT TRUST FUND CHAPTER 175 PLAN AND
RETIRED POLICE OFFICERS' SUBSTITUTED TRUST FUND PLAN
LAST TEN FISCAL YEARS**

FIREFIGHTERS' RETIREMENT TRUST FUND

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return Net of Investment Expenses | -1.64% | 6.14% | 11.82% | 7.22% | 4.98% | 9.58% | 19.26% | -14.68% | 10.72% | 21.08% |

RETIRED POLICE OFFICERS' SUBSTITUTED TRUST FUND

| | <u>2015</u> | <u>2016</u> | <u>2017</u> | <u>2018</u> | <u>2019</u> | <u>2020</u> | <u>2021</u> | <u>2022</u> | <u>2023</u> | <u>2024</u> |
|--|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Annual Money-Weighted Rate of Return Net of Investment Expenses | -1.60% | 9.32% | 11.50% | 7.74% | 1.80% | 0.87% | 6.78% | -19.41% | 9.01% | 20.37% |

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|--------------|
| City's Proportion of the Net Pension Liability | 0.008047984% | 0.008173955% | 0.008237147% | 0.007693597% | 0.007066271% | 0.584429920% | 0.000063872 % | 0.007078476% | 0.008343182% | 0.009109759% |
| City's Proportionate Share of the Net Pension Liability | \$ 1,039,505 | \$ 2,063,930 | \$ 2,436,493 | \$ 2,317,351 | \$ 2,433,524 | \$ 2,533,005 | \$ 482,478 | \$ 2,633,762 | \$ 3,324,489 | \$ 3,524,083 |
| City's Covered Payroll | \$ 2,521,077 | \$ 2,607,338 | \$ 2,665,147 | \$ 2,608,363 | \$ 2,423,772 | \$ 2,496,976 | \$ 2,763,106 | \$ 3,401,347 | \$ 3,892,059 | \$ 4,236,730 |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 41.23% | 79.16% | 91.42% | 88.84% | 100.40% | 101.44% | 17.46% | 77.43% | 85.42% | 83.18% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 92.00% | 84.88% | 83.89% | 84.26% | 82.61% | 78.85% | 96.40% | 82.89% | 82.38% | 83.70% |

* The amounts presented for each fiscal year were determined as of June 30.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CITY CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 218,403 | \$ 233,891 | \$ 212,061 | \$ 217,041 | \$ 214,705 | \$ 203,887 | \$ 265,784 | \$ 295,669 | \$ 427,088 | \$ 534,406 |
| Contributions in Relation to the Contractually Required Contribution | (218,403) | (233,891) | (212,061) | (217,041) | (214,705) | (203,887) | (265,784) | (295,669) | (427,088) | (534,406) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City's Covered Payroll | \$ 2,530,934 | \$ 2,487,433 | \$ 2,745,922 | \$ 2,665,371 | \$ 2,526,749 | \$ 2,543,266 | \$ 2,928,979 | \$ 3,443,525 | \$ 3,900,390 | \$ 4,301,790 |
| Contributions as a Percentage of Covered Payroll | 8.63% | 9.40% | 7.72% | 8.14% | 8.50% | 8.02% | 9.07% | 8.59% | 10.95% | 12.42% |

* The amounts presented for each fiscal year were determined as of September 30.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| City's Proportion of the Net Pension Liability | 0.008156699% | 0.008445996% | 0.008358747% | 0.000000000% | 0.007326592% | 0.007192943% | 0.007804904% | 0.009333318% | 0.009780150% | 0.010026723% |
| City's Proportionate Share of the Net Pension Liability | \$ 831,855 | \$ 984,346 | \$ 893,756 | \$ 844,595 | \$ 819,772 | \$ 878,247 | \$ 957,390 | \$ 988,547 | \$ 1,553,218 | \$ 1,504,107 |
| City's Covered Payroll | \$ 2,521,077 | \$ 2,607,338 | \$ 2,665,147 | \$ 2,608,363 | \$ 2,423,772 | \$ 2,496,976 | \$ 2,763,106 | \$ 3,401,347 | \$ 3,892,059 | \$ 4,236,730 |
| City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll | 33.00% | 37.75% | 33.53% | 32.38% | 33.82% | 35.17% | 34.65% | 29.06% | 39.91% | 35.50% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 0.50% | 0.97% | 1.64% | 2.15% | 2.63% | 3.00% | 3.56% | 4.81% | 4.12% | 4.80% |

* The amounts presented for each fiscal year were determined as of June 30.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CITY CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN FISCAL YEARS**

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2022 | 2023 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 33,880 | \$ 31,765 | \$ 45,593 | \$ 44,278 | \$ 41,920 | \$ 41,141 | \$ 42,227 | \$ 48,940 | \$ 57,175 | \$ 86,625 |
| Contributions in Relation to the Contractually Required Contribution | (33,880) | (31,765) | (45,593) | (44,278) | (41,920) | (41,141) | (42,227) | (48,940) | (57,175) | (86,625) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City's Covered Payroll | \$ 2,530,934 | \$ 2,487,433 | \$ 2,745,922 | \$ 2,665,371 | \$ 2,526,749 | \$ 2,171,860 | \$ 2,543,266 | \$ 2,928,979 | \$ 3,443,525 | \$ 4,301,790 |
| Contributions as a Percentage of Covered Payroll | 1.34% | 1.28% | 1.66% | 1.66% | 1.66% | 1.89% | 1.66% | 1.67% | 1.66% | 2.01% |

* The amounts presented for each fiscal year were determined as of September 30.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF CHANGES IN THE CITY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS¹
LAST TEN MEASUREMENT DATES**

| Employer Measurement Date | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Total OPEB Liability | | | | | | |
| Service Cost | \$ 30,056 | \$ 29,828 | \$ 42,643 | \$ 53,812 | \$ 59,054 | \$ 37,180 |
| Interest | 17,786 | 20,131 | 18,880 | 13,819 | 14,108 | 20,471 |
| Changes of Benefit Terms | - | 3,142 | - | - | - | - |
| Differences Between Expected and Actual Experience | - | - | (144,892) | - | (153,404) | - |
| Changes in Assumptions | (23,411) | 106,530 | (24,145) | 20,988 | (54,979) | (16,126) |
| Benefit Payments | (3,778) | (9,779) | (13,195) | (20,479) | (25,634) | (18,052) |
| Net Change in Total OPEB Liability | 20,653 | 149,852 | (120,709) | 68,140 | (160,855) | 23,473 |
| Total OPEB Liability - Beginning | 480,013 | 500,666 | 650,518 | 529,809 | 597,949 | 437,094 |
| Total OPEB Liability - Ending | \$ 500,666 | \$ 650,518 | \$ 529,809 | \$ 597,949 | \$ 437,094 | \$ 460,567 |
| Covered Employee Payroll** | \$ 2,710,912 | \$ 2,805,794 | \$ 3,727,538 | \$ 3,839,364 | \$ 3,956,302 | \$ 4,074,991 |
| Total OPEB Liability as a Percentage of the Covered Employee Payroll | 18.47% | 23.18% | 14.21% | 15.57% | 11.05% | 11.30% |

**Covered-Employee Payroll presented above is an estimate based on data submitted for the respective valuations. GASB Statement 75 defines Covered-Employee Payroll as the payroll of employees that are provided with OPEB through the OPEB plan, including employees terminating during the measurement period (fiscal year ended September 30, 2023).

Notes to Schedule:

The OPEB plan is not administered through a trust and there are no assets accumulated in trust for payment of benefits.

The discount rate was changed from 4.40% as of the beginning of the measurement period to 4.63% as of September 30, 2023.

The expected claims cost and premiums were updated and the healthcare cost trend assumption was revised.

¹ Note: Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available.

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

| | General Fund | | | Variance with Final Budget Positive (Negative) |
|---|--------------------|---------------------|---------------------|---|
| | Budgeted Amounts | | Actual Amounts | |
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 5,238,422 | \$ 5,238,422 | \$ 5,879,210 | \$ 640,788 |
| Licenses and Permits | 1,243,000 | 1,301,300 | 1,517,907 | 216,607 |
| Intergovernmental Revenue | 1,623,625 | 1,272,125 | 1,795,467 | 523,342 |
| Charges for Services | 326,699 | 326,499 | 390,264 | 63,765 |
| Fines and Forfeits | 2,500 | - | 42,916 | 42,916 |
| Net Investment Earnings | 25,393 | 4,769 | 121,897 | 117,128 |
| Miscellaneous Revenues | 69,000 | 71,091 | 279,394 | 208,303 |
| Total Revenues | <u>8,528,639</u> | <u>8,214,206</u> | <u>10,027,055</u> | <u>1,812,849</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| General Government | 4,270,845 | 4,210,271 | 3,776,857 | 433,414 |
| Culture and Recreation | 1,112,790 | 1,112,290 | 843,333 | 268,957 |
| Public Safety | 1,138,347 | 1,113,787 | 1,220,380 | (106,593) |
| Physical Environment | 294,324 | 293,124 | 280,439 | 12,685 |
| Debt Service: | | | | |
| Principal | 188,844 | 188,844 | 241,209 | (52,365) |
| Interest | 116,075 | 116,075 | 119,304 | (3,229) |
| Capital Outlay | 1,438,000 | 4,622,179 | 4,007,740 | 614,439 |
| Total Expenditures | <u>8,559,225</u> | <u>11,656,570</u> | <u>10,489,262</u> | <u>1,167,308</u> |
| EXCESS OF REVENUES OVER EXPENDITURES | (30,586) | (3,442,364) | (462,207) | 2,980,157 |
| OTHER FINANCING SOURCES (USES) | | | | |
| SBITA | - | - | 42,677 | 42,677 |
| Transfers In | 328,557 | 328,557 | 324,507 | (4,050) |
| Transfers Out | (3,057,484) | (3,170,822) | (3,047,684) | 123,138 |
| Reserves | (2,016,322) | (2,016,322) | - | 2,016,322 |
| Total Other Financing Sources (Uses) | <u>(4,745,249)</u> | <u>(4,858,587)</u> | <u>(2,680,500)</u> | <u>2,178,087</u> |
| NET CHANGE IN FUND BALANCES | (4,775,835) | (8,300,951) | (3,142,707) | 5,158,244 |
| Fund Balances - Beginning of Year | <u>4,739,092</u> | <u>7,809,251</u> | <u>9,696,300</u> | <u>1,887,049</u> |
| FUND BALANCES - END OF YEAR | <u>\$ (36,743)</u> | <u>\$ (491,700)</u> | <u>\$ 6,553,593</u> | <u>\$ 7,045,293</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – COMMUNITY REDEVELOPMENT AGENCY FUND
YEAR ENDED SEPTEMBER 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 148,050 | \$ 148,050 | \$ 171,853 | \$ 23,803 |
| Net Investment Earnings | - | - | 18 | 18 |
| Miscellaneous Revenues | - | - | 35 | 35 |
| Total Revenues | 148,050 | 148,050 | 171,906 | 23,856 |
| EXPENDITURES | | | | |
| Current: | | | | |
| Economic Development: | | | | |
| Operating Expenditures | 353,900 | 349,900 | 239,516 | 110,384 |
| Capital Outlay | 189,400 | - | - | - |
| Total Expenditures | 543,300 | 349,900 | 239,516 | 110,384 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (395,250) | (201,850) | (67,610) | 134,240 |
| Fund Balances - Beginning of Year | 395,250 | 201,850 | 263,517 | 61,667 |
| FUND BALANCES - END OF YEAR | \$ - | \$ - | \$ 195,907 | \$ 195,907 |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – FIRE DEPARTMENT FUND
YEAR ENDED SEPTEMBER 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|--------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 1,122,603 | \$ 1,122,603 | \$ 1,051,105 | \$ (71,498) |
| Intergovernmental Revenue | 34,289 | 34,289 | 38,094 | 3,805 |
| Charges for Services | 41,028 | 32,000 | 28,217 | (3,783) |
| Fines and Forfeitures | - | - | 40 | 40 |
| Miscellaneous Revenues | 299 | 3,299 | 8,857 | 5,558 |
| Total Revenues | 1,198,219 | 1,192,191 | 1,126,313 | (65,878) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Public Safety | 2,258,363 | 2,261,013 | 2,186,082 | 74,931 |
| Debt Service: | | | | |
| Principal | 18,575 | 18,575 | 19,105 | (530) |
| Interest | 5,855 | 5,855 | 5,860 | (5) |
| Capital Outlay | 65,000 | 65,000 | 72,915 | (7,915) |
| Total Expenditures | 2,347,793 | 2,350,443 | 2,283,962 | 66,481 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (1,149,574) | (1,158,252) | (1,157,649) | 603 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 1,155,502 | 1,205,502 | 1,155,502 | (50,000) |
| Transfers Out | (5,928) | (5,928) | (7,558) | (1,630) |
| Total Other Financing Sources (Uses) | 1,149,574 | 1,199,574 | 1,147,944 | (51,630) |
| NET CHANGE IN FUND BALANCE | - | 41,322 | (9,705) | (51,027) |
| Fund Balances - Beginning of Year | - | (41,322) | 36,788 | 78,110 |
| FUND BALANCES - END OF YEAR | \$ - | \$ - | \$ 27,083 | \$ 27,083 |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – LOCAL OPTION GAS TAX FUND
YEAR ENDED SEPTEMBER 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|-------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Taxes | \$ 258,472 | \$ 258,472 | \$ 269,341 | \$ 10,869 |
| Intergovernmental Revenue | 150,000 | 150,000 | 331,205 | 181,205 |
| Miscellaneous Revenues | 130,000 | 130,000 | 232,295 | 102,295 |
| Total Revenues | <u>538,472</u> | <u>538,472</u> | <u>832,841</u> | <u>294,369</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Transportation | 1,467,714 | 1,447,620 | 1,837,121 | (389,501) |
| Capital Outlay | 900,000 | 900,000 | 291,063 | 608,937 |
| Debt Service: | | | | |
| Principal | 20,737 | 20,737 | 17,863 | 2,874 |
| Interest | 1,620 | 1,620 | 2,407 | (787) |
| Total Expenditures | <u>2,390,071</u> | <u>2,369,977</u> | <u>2,148,454</u> | <u>221,523</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (1,851,599) | (1,831,505) | (1,315,613) | 515,892 |
| OTHER FINANCING SOURCES (USES) | | | | |
| SBITA | - | - | - | - |
| Transfers In | 1,853,282 | 1,853,282 | 1,853,281 | (1) |
| Transfers Out | (1,683) | (1,683) | (1,683) | - |
| Total Other Financing Sources (Uses) | <u>1,851,599</u> | <u>1,851,599</u> | <u>1,851,598</u> | <u>(1)</u> |
| NET CHANGE IN FUND BALANCES | - | 20,094 | 535,985 | 515,891 |
| Fund Balances - Beginning of Year | - | (20,094) | (10,996) | 9,098 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 524,989</u> | <u>\$ 524,989</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL – ROAD IMPACT FEES FUND
YEAR ENDED SEPTEMBER 30, 2024

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|---------------------|---|
| | Original | Final | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 10,140 | \$ - | \$ 602 | \$ 602 |
| Net Investment Earnings | 2,500 | 2,000 | 103,388 | 101,388 |
| Total Revenues | <u>12,640</u> | <u>2,000</u> | <u>103,990</u> | <u>101,990</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Capital Outlay | 1,245,223 | 219,000 | 218,870 | 130 |
| Total Expenditures | <u>1,245,223</u> | <u>219,000</u> | <u>218,870</u> | <u>130</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (1,232,583) | (217,000) | (114,880) | 102,120 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | <u>(1,429,875)</u> | <u>(1,429,875)</u> | - | <u>1,429,875</u> |
| NET CHANGE IN FUND BALANCES | (2,662,458) | (1,646,875) | (114,880) | 1,531,995 |
| Fund Balances - Beginning of Year | <u>2,662,458</u> | <u>1,646,875</u> | <u>2,761,699</u> | <u>1,114,824</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 2,646,819</u> | <u>\$ 2,646,819</u> |

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CITY OF BROOKSVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

| | Special Revenue Funds | | | | | |
|---|--|-------------------------------------|--|--------------------------------------|--------------------------------------|------------------------|
| | Police Special Education Fund | Law Enforcement Trust Fund | Law Enforcement Investigative Trust | Law Enforcement Impact Fees | Public Building Impact Fees | Fire Impact Fees |
| ASSETS | | | | | | |
| Pooled Cash and Investments | \$ 134,979 | \$ 87,503 | \$ 45,178 | \$ 66,057 | \$ 469,891 | \$ 265,082 |
| Restricted Pooled Cash and Investments | - | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - |
| Prepaid Items | - | - | - | - | - | - |
| Total Assets | \$ 134,979 | \$ 87,503 | \$ 45,178 | \$ 66,057 | \$ 469,891 | \$ 265,082 |
| LIABILITIES AND FUND BALANCES (DEFICITS) | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unearned Revenue | - | - | - | 341 | 525 | 230 |
| Total Liabilities | - | - | - | 341 | 525 | 230 |
| Fund Balances (Deficits): | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | 134,979 | 87,503 | 45,178 | 65,716 | 469,366 | 264,852 |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Total Fund Balances (Deficits) | 134,979 | 87,503 | 45,178 | 65,716 | 469,366 | 264,852 |
| Total Liabilities and Fund Balances (Deficits) | \$ 134,979 | \$ 87,503 | \$ 45,178 | \$ 66,057 | \$ 469,891 | \$ 265,082 |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024**

| | Special Revenue Funds | | | | Total Special Revenue Funds |
|---|--------------------------|-------------------------|---|--|--------------------------------------|
| | Parks Impact Fees | Traffic Camera | Enrichment Center Premises Maintenance | 1/5 Cent Local Option Gas Tax | |
| ASSETS | | | | | |
| Pooled Cash and Investments | \$ 176,953 | \$ 14,228 | \$ 7,108 | \$ 1,131,155 | \$ 2,398,134 |
| Restricted Pooled Cash and Investments | - | - | - | - | - |
| Due from Other Funds | - | - | - | - | - |
| Due from Other Governments | - | - | - | 30,342 | 30,342 |
| Prepaid Items | - | - | - | - | - |
| Total Assets | <u>\$ 176,953</u> | <u>\$ 14,228</u> | <u>\$ 7,108</u> | <u>\$ 1,161,497</u> | <u>\$ 2,428,476</u> |
| LIABILITIES AND FUND BALANCES (DEFICITS) | | | | | |
| Liabilities: | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 2,097 | \$ - | \$ 2,097 |
| Unearned Revenue | 318 | - | - | - | 1,414 |
| Total Liabilities | <u>318</u> | <u>-</u> | <u>2,097</u> | <u>-</u> | <u>3,511</u> |
| Fund Balances (Deficits): | | | | | |
| Nonspendable | - | - | - | - | - |
| Restricted | 176,635 | - | 5,011 | 1,161,497 | 2,410,737 |
| Committed | - | 14,228 | - | - | 14,228 |
| Assigned | - | - | - | - | - |
| Total Fund Balances (Deficits) | <u>176,635</u> | <u>14,228</u> | <u>5,011</u> | <u>1,161,497</u> | <u>2,424,965</u> |
| Total Liabilities and Fund Balances (Deficits) | <u>\$ 176,953</u> | <u>\$ 14,228</u> | <u>\$ 7,108</u> | <u>\$ 1,161,497</u> | <u>\$ 2,428,476</u> |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024**

| | Capital Project Funds | | | | | Total Capital Project Funds |
|---|-----------------------|--|--|--|--|--------------------------------------|
| | McKethan Park | Multi-Year Capital Project Accumulation | Capital Improvement Revenue 2006 Bond | Capital Improvement Revenue Note - 2011 | Capital Improvement Revenue Loan - 2016 | |
| ASSETS | | | | | | |
| Pooled Cash and Investments | \$ 27,665 | \$ 54,838 | \$ - | \$ - | \$ 1,633 | \$ 84,136 |
| Restricted Pooled Cash and Investments | - | - | 3,183 | - | - | 3,183 |
| Due from Other Funds | - | - | - | - | - | - |
| Due from Other Governments | - | - | 49 | - | - | 49 |
| Prepaid Items | - | - | - | - | - | - |
| Total Assets | \$ 27,665 | \$ 54,838 | \$ 3,232 | \$ - | \$ 1,633 | \$ 87,368 |
| LIABILITIES AND FUND BALANCES (DEFICITS) | | | | | | |
| Liabilities: | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ 2,117 | \$ - | \$ - | \$ 2,117 |
| Unearned Revenue | - | - | - | - | - | - |
| Total Liabilities | - | - | 2,117 | - | - | 2,117 |
| Fund Balances (Deficits): | | | | | | |
| Nonspendable | - | - | - | - | - | - |
| Restricted | - | - | 1,115 | - | 1,633 | 2,748 |
| Committed | - | - | - | - | - | - |
| Assigned | 27,665 | 54,838 | - | - | - | 82,503 |
| Total Fund Balances (Deficits) | 27,665 | 54,838 | 1,115 | - | 1,633 | 85,251 |
| Total Liabilities and Fund Balances (Deficits) | \$ 27,665 | \$ 54,838 | \$ 3,232 | \$ - | \$ 1,633 | \$ 87,368 |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024**

| | Debt Service Funds | | | Total Debt Service Funds | Permanent Fund | Total Permanent Funds | Total Nonmajor Governmental Funds |
|---|--|--|--|--------------------------------|-------------------------------|-----------------------------|--|
| | Capital Improvement Revenue Loan - 2016 | Capital Improvement Revenue Note - 2011 | Capital Improvement Revenue Bond 2006 | | Cemetery Perpetual Care | | |
| ASSETS | | | | | | | |
| Pooled Cash and Investments | \$ - | \$ - | \$ - | \$ - | \$ 192,748 | \$ 192,748 | \$ 2,675,018 |
| Restricted Pooled Cash and Investments | 17,955 | 50,655 | 13,858 | 82,468 | 253,430 | 253,430 | 339,081 |
| Due from Other Funds | - | - | - | - | - | - | - |
| Due from Other Governments | - | - | - | - | - | - | 30,391 |
| Prepaid Items | - | - | - | - | - | - | - |
| Total Assets | <u>\$ 17,955</u> | <u>\$ 50,655</u> | <u>\$ 13,858</u> | <u>\$ 82,468</u> | <u>\$ 446,178</u> | <u>\$ 446,178</u> | <u>\$ 3,044,490</u> |
| LIABILITIES AND FUND BALANCES (DEFICITS) | | | | | | | |
| Liabilities: | | | | | | | |
| Accounts Payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,214 |
| Unearned Revenue | - | - | - | - | - | - | 1,414 |
| Total Liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>5,628</u> |
| Fund Balances (Deficits): | | | | | | | |
| Nonspendable | - | - | - | - | 253,430 | 253,430 | 253,430 |
| Restricted | 17,955 | 50,655 | 13,858 | 82,468 | - | - | 2,495,953 |
| Committed | - | - | - | - | - | - | 14,228 |
| Assigned | - | - | - | - | 192,748 | 192,748 | 275,251 |
| Total Fund Balances (Deficits) | <u>17,955</u> | <u>50,655</u> | <u>13,858</u> | <u>82,468</u> | <u>446,178</u> | <u>446,178</u> | <u>3,038,862</u> |
| Total Liabilities and Fund Balances (Deficits) | <u>\$ 17,955</u> | <u>\$ 50,655</u> | <u>\$ 13,858</u> | <u>\$ 82,468</u> | <u>\$ 446,178</u> | <u>\$ 446,178</u> | <u>\$ 3,044,490</u> |

CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | | | |
|--|--|-------------------------------------|--|--------------------------------------|--------------------------------------|------------------------|
| | Police Special Education Fund | Law Enforcement Trust Fund | Law Enforcement Investigative Trust | Law Enforcement Impact Fees | Public Building Impact Fees | Fire Impact Fees |
| REVENUES | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and Permits | - | - | - | 12,581 | 76,293 | 38,078 |
| Intergovernmental Revenue | - | - | - | - | - | - |
| Fines and Forfeitures | 39,237 | - | - | - | - | - |
| Net Investment Earnings | - | - | - | - | 2,040 | 1,990 |
| Miscellaneous Revenues | - | - | - | - | - | - |
| Total Revenues | <u>39,237</u> | <u>-</u> | <u>-</u> | <u>12,581</u> | <u>78,333</u> | <u>40,068</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 39,237 | - | - | 12,581 | 78,333 | 40,068 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | - | - | - | - |
| Transfers Out | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | 39,237 | - | - | 12,581 | 78,333 | 40,068 |
| Fund Balances (Deficits) - Beginning of Year | 95,742 | 87,503 | 45,178 | 53,135 | 391,033 | 224,784 |
| FUND BALANCES (DEFICITS) - END OF YEAR | <u>\$ 134,979</u> | <u>\$ 87,503</u> | <u>\$ 45,178</u> | <u>\$ 65,716</u> | <u>\$ 469,366</u> | <u>\$ 264,852</u> |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

| | Special Revenue Funds | | | | Total Special Revenue Funds |
|--|-------------------------|-------------------|---|--|--------------------------------------|
| | Parks Impact Fees | Traffic Camera | Enrichment Center Premises Maintenance | 1/5 Cent Local Option Gas Tax | |
| REVENUES | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ 185,553 | \$ 185,553 |
| Licenses and Permits | 83,258 | - | - | - | 210,210 |
| Intergovernmental Revenue | - | - | - | - | - |
| Fines and Forfeitures | - | 223 | - | - | 39,460 |
| Net Investment Earnings | 1,306 | - | - | 5,964 | 11,300 |
| Miscellaneous Revenues | - | - | 11,577 | - | 11,577 |
| Total Revenues | <u>84,564</u> | <u>223</u> | <u>11,577</u> | <u>191,517</u> | <u>458,100</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General Government | - | - | - | - | - |
| Culture and Recreation | 68,438 | - | 24,446 | - | 92,884 |
| Public Safety | - | - | - | - | - |
| Transportation | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Debt Service: | | | | | |
| Principal | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - |
| Total Expenditures | <u>68,438</u> | <u>-</u> | <u>24,446</u> | <u>-</u> | <u>92,884</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 16,126 | 223 | (12,869) | 191,517 | 365,216 |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | - | - | 5,000 | - | 5,000 |
| Transfers Out | - | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>5,000</u> | <u>-</u> | <u>5,000</u> |
| NET CHANGE IN FUND BALANCES | 16,126 | 223 | (7,869) | 191,517 | 370,216 |
| Fund Balances (Deficits) - Beginning of Year | 160,509 | 14,005 | 12,880 | 969,980 | 2,054,749 |
| FUND BALANCES (DEFICITS) - END OF YEAR | <u>\$ 176,635</u> | <u>\$ 14,228</u> | <u>\$ 5,011</u> | <u>\$ 1,161,497</u> | <u>\$ 2,424,965</u> |

CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | | | Total Capital Project Funds |
|--|-----------------------|--|--|--|--|--------------------------------------|
| | McKethan Park | Multi-Year Capital Project Accumulation | Capital Improvement Revenue 2006 Bond | Capital Improvement Revenue Note - 2011 | Capital Improvement Revenue Loan - 2016 | |
| REVENUES | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses and Permits | - | - | 29,729 | - | - | 29,729 |
| Intergovernmental Revenue | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | - | - | - |
| Net Investment Earnings | 825 | 4,424 | 214 | - | - | 5,463 |
| Miscellaneous Revenues | - | - | - | - | - | - |
| Total Revenues | <u>825</u> | <u>4,424</u> | <u>29,943</u> | <u>-</u> | <u>-</u> | <u>35,192</u> |
| EXPENDITURES | | | | | | |
| Current: | | | | | | |
| General Government | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - |
| Public Safety | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - |
| Debt Service: | | | | | | |
| Principal | - | - | - | - | - | - |
| Interest and Fiscal Charges | - | - | - | - | - | - |
| Total Expenditures | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | 825 | 4,424 | 29,943 | - | - | 35,192 |
| OTHER FINANCING SOURCES (USES) | | | | | | |
| Transfers In | - | - | - | 303,780 | 7,558 | 311,338 |
| Transfers Out | - | - | (30,878) | (303,780) | (7,558) | (342,216) |
| Total Other Financing Sources (Uses) | <u>-</u> | <u>-</u> | <u>(30,878)</u> | <u>-</u> | <u>-</u> | <u>(30,878)</u> |
| NET CHANGE IN FUND BALANCES | 825 | 4,424 | (935) | - | - | 4,314 |
| Fund Balances (Deficits) - Beginning of Year | <u>26,840</u> | <u>50,414</u> | <u>2,050</u> | <u>-</u> | <u>1,633</u> | <u>80,937</u> |
| FUND BALANCES (DEFICITS) - END OF YEAR | <u>\$ 27,665</u> | <u>\$ 54,838</u> | <u>\$ 1,115</u> | <u>\$ -</u> | <u>\$ 1,633</u> | <u>\$ 85,251</u> |

CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Debt Service Funds | | | Total Debt Service Funds | Permanent Fund | Total Permanent Funds | Total Nonmajor Governmental Funds |
|--|--|--|--|--------------------------------|-------------------------------|-----------------------------|--|
| | Capital Improvement Revenue Loan - 2016 | Capital Improvement Revenue Note - 2011 | Capital Improvement Revenue Bond 2006 | | Cemetery Perpetual Care | | |
| REVENUES | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 185,553 |
| Licenses and Permits | - | - | - | - | - | - | 239,939 |
| Intergovernmental Revenue | - | - | - | - | - | - | - |
| Fines and Forfeitures | - | - | - | - | - | - | 39,460 |
| Net Investment Earnings | - | - | - | - | 7,122 | 7,122 | 23,885 |
| Miscellaneous Revenues | - | - | - | - | - | - | 11,577 |
| Total Revenues | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>7,122</u> | <u>7,122</u> | <u>500,414</u> |
| EXPENDITURES | | | | | | | |
| Current: | | | | | | | |
| General Government | - | - | - | - | - | - | - |
| Culture and Recreation | - | - | - | - | - | - | 92,884 |
| Public Safety | - | - | - | - | 8,900 | 8,900 | 8,900 |
| Transportation | - | - | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - | - | - |
| Debt Service: | | | | | | | |
| Principal | 6,123 | 268,234 | 9,000 | 283,357 | - | - | 283,357 |
| Interest and Fiscal Charges | 1,440 | 35,546 | 3,878 | 40,864 | - | - | 40,864 |
| Total Expenditures | <u>7,563</u> | <u>303,780</u> | <u>12,878</u> | <u>324,221</u> | <u>8,900</u> | <u>8,900</u> | <u>426,005</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (7,563) | (303,780) | (12,878) | (324,221) | (1,778) | (1,778) | 74,409 |
| OTHER FINANCING SOURCES (USES) | | | | | | | |
| Transfers In | 7,558 | 303,780 | 12,878 | 324,216 | 10,000 | 10,000 | 650,554 |
| Transfers Out | - | - | - | - | - | - | (342,216) |
| Total Other Financing Sources (Uses) | <u>7,558</u> | <u>303,780</u> | <u>12,878</u> | <u>324,216</u> | <u>10,000</u> | <u>10,000</u> | <u>308,338</u> |
| NET CHANGE IN FUND BALANCES | (5) | - | - | (5) | 8,222 | 8,222 | 382,747 |
| Fund Balances (Deficits) - Beginning of Year | <u>17,960</u> | <u>50,655</u> | <u>13,858</u> | <u>82,473</u> | <u>437,956</u> | <u>437,956</u> | <u>2,656,115</u> |
| FUND BALANCES (DEFICITS) - END OF YEAR | <u>\$ 17,955</u> | <u>\$ 50,655</u> | <u>\$ 13,858</u> | <u>\$ 82,468</u> | <u>\$ 446,178</u> | <u>\$ 446,178</u> | <u>\$ 3,038,862</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Fund | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|-------------|-------------------|---|
| | Police Special Education Fund | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Fines and Forfeitures | \$ - | \$ - | \$ 39,237 | \$ 39,237 |
| Total Revenues | - | - | 39,237 | 39,237 |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 39,237 | 39,237 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (89,046) | (89,046) | - | 89,046 |
| Total Other Financing Sources (Uses) | (89,046) | (89,046) | - | 89,046 |
| NET CHANGE IN FUND BALANCES | (89,046) | (89,046) | 39,237 | 128,283 |
| Fund Balances - Beginning of Year | 89,046 | 89,046 | 95,742 | 6,696 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 134,979</u> | <u>\$ 134,979</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | Variance with Final Budget Positive (Negative) |
|--|----------------------------|-------------|-------------------|---|
| | Law Enforcement Trust Fund | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (87,503) | (87,503) | - | - |
| NET CHANGE IN FUND BALANCES | (87,503) | (87,503) | - | - |
| Fund Balances - Beginning of Year | 87,503 | 87,503 | 87,503 | - |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 87,503</u> | <u>\$ 87,503</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | |
|--|-------------------------------------|-------------|-------------------|---|
| | Law Enforcement Investigative Trust | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | - | - |
| Fund Balances - Beginning of Year | - | - | 45,178 | 45,178 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 45,178</u> | <u>\$ 45,178</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | |
|--|-----------------------------|-------------|-------------------|---|
| | Law Enforcement Impact Fees | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | | | | |
| Licenses and Permits | \$ - | \$ - | \$ 12,581 | \$ 12,581 |
| Total Revenues | - | - | 12,581 | 12,581 |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 12,581 | 12,581 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (49,386) | (49,386) | - | 49,386 |
| Total Other Financing Sources (Uses) | (49,386) | (49,386) | - | 49,386 |
| NET CHANGE IN FUND BALANCES | (49,386) | (49,386) | 12,581 | 61,967 |
| Fund Balances - Beginning of Year | 49,386 | 49,386 | 53,135 | 3,749 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 65,716</u> | <u>\$ 65,716</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | Variance with Final Budget Positive (Negative) |
|--|-----------------------------|------------------|-------------------|---|
| | Public Building Impact Fees | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 9,320 | \$ 9,320 | \$ 76,293 | \$ 66,973 |
| Net Investment Earnings | 100 | 100 | 2,040 | 1,940 |
| Total Revenues | <u>9,420</u> | <u>9,420</u> | <u>78,333</u> | <u>68,913</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 9,420 | 9,420 | 78,333 | 1,940 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | <u>(383,046)</u> | <u>(383,046)</u> | <u>-</u> | <u>-</u> |
| Total Other Financing Sources (Uses) | <u>(383,046)</u> | <u>(383,046)</u> | <u>-</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCES | (373,626) | (373,626) | 78,333 | 1,940 |
| Fund Balances - Beginning of Year | <u>373,626</u> | <u>373,626</u> | <u>391,033</u> | <u>17,407</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 469,366</u> | <u>\$ 19,347</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | Variance with Final Budget Positive (Negative) |
|--|-----------------------|------------------|-------------------|---|
| | Fire Impact Fees | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 4,880 | \$ 4,880 | \$ 38,078 | \$ 33,198 |
| Net Investment Earnings | 100 | 100 | 1,990 | 1,890 |
| Total Revenues | <u>4,980</u> | <u>4,980</u> | <u>40,068</u> | <u>35,088</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 4,980 | 4,980 | 40,068 | 35,088 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | <u>(220,935)</u> | <u>(220,935)</u> | <u>-</u> | <u>220,935</u> |
| Total Other Financing Sources (Uses) | <u>(220,935)</u> | <u>(220,935)</u> | <u>-</u> | <u>220,935</u> |
| NET CHANGE IN FUND BALANCES | (215,955) | (215,955) | 40,068 | 256,023 |
| Fund Balances - Beginning of Year | <u>215,955</u> | <u>215,955</u> | <u>224,784</u> | <u>8,829</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 264,852</u> | <u>\$ 264,852</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | Variance with Final Budget Positive (Negative) |
|--|-----------------------|------------------|-------------------|---|
| | Parks Impact Fees | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 13,520 | \$ 13,520 | \$ 83,258 | \$ 69,738 |
| Net Investment Earnings | 100 | 100 | 1,306 | 1,206 |
| Total Revenues | <u>13,620</u> | <u>13,620</u> | <u>84,564</u> | <u>70,944</u> |
| EXPENDITURES | | | | |
| Culture and Recreation | 100,720 | 68,500 | 68,438 | 62 |
| Capital Outlay | - | - | - | - |
| Total Expenditures | <u>100,720</u> | <u>68,500</u> | <u>68,438</u> | <u>62</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (87,100) | (54,880) | 16,126 | 71,006 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (86,715) | (118,935) | - | 118,935 |
| Total Other Financing Sources (Uses) | <u>(86,715)</u> | <u>(118,935)</u> | <u>-</u> | <u>118,935</u> |
| NET CHANGE IN FUND BALANCES | (173,815) | (173,815) | 16,126 | 189,941 |
| Fund Balances - Beginning of Year | <u>173,815</u> | <u>173,815</u> | <u>160,509</u> | <u>(13,306)</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 176,635</u> | <u>\$ 176,635</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | |
|--|-----------------------|-------------|-------------------|---|
| | Traffic Camera | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| Original | Final | | | |
| REVENUES | | | | |
| Fines and Forfeitures | \$ - | \$ - | \$ 223 | \$ 223 |
| Total Revenues | - | - | 223 | 223 |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | 223 | 223 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | - | - |
| NET CHANGE IN FUND BALANCES | - | - | 223 | 223 |
| Fund Balances - Beginning of Year | - | - | 14,005 | 14,005 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 14,228</u> | <u>\$ 14,228</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | |
|--|--|-------------|-------------------|---|
| | Enrichment Center Premises Maintenance | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | | | | |
| Miscellaneous Revenues | \$ 13,500 | \$ 13,500 | \$ 11,577 | \$ (1,923) |
| Total Revenues | 13,500 | 13,500 | 11,577 | (1,923) |
| EXPENDITURES | | | | |
| Current: | | | | |
| Culture and Recreation | 22,585 | 30,430 | 24,446 | 5,984 |
| Total Expenditures | 22,585 | 30,430 | 24,446 | 5,984 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (9,085) | (16,930) | (12,869) | 4,061 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 5,000 | 5,000 | 5,000 | - |
| Reserves | (11,672) | (3,827) | - | 3,827 |
| Total Other Financing Sources (Uses) | (6,672) | 1,173 | 5,000 | 3,827 |
| NET CHANGE IN FUND BALANCES | (15,757) | (15,757) | (7,869) | 7,888 |
| Fund Balances - Beginning of Year | 15,757 | 15,757 | 12,880 | (2,877) |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 5,011</u> | <u>\$ 5,011</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Special Revenue Funds | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------------|--------------------|----------------------------|---|
| | 1/5 Cent Local Option Gas Tax | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Taxes | \$ 175,000 | \$ 175,000 | \$ 185,553 | \$ 10,553 |
| Net Investment Earnings | 500 | 500 | 5,964 | 5,464 |
| Total Revenues | <u>175,500</u> | <u>175,500</u> | <u>191,517</u> | <u>16,017</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 175,500 | 175,500 | 191,517 | 16,017 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | <u>(1,133,657)</u> | <u>(1,133,657)</u> | <u>-</u> | <u>1,133,657</u> |
| Total Other Financing Sources (Uses) | <u>(1,133,657)</u> | <u>(1,133,657)</u> | <u>-</u> | <u>1,133,657</u> |
| NET CHANGE IN FUND BALANCES | (958,157) | (958,157) | 191,517 | 1,149,674 |
| Fund Balances - Beginning of Year | <u>958,157</u> | <u>958,157</u> | <u>969,980</u> | <u>11,823</u> |
| FUND BALANCES - END OF YEAR | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 1,161,497</u></u> | <u><u>\$ 1,161,497</u></u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | Variance with Final Budget Positive (Negative) |
|--|-----------------------|-------------|-------------------|---|
| | McKethan Park | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Net Investment Earnings | \$ 120 | \$ 120 | \$ 825 | \$ 705 |
| Total Revenues | 120 | 120 | 825 | 705 |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 120 | 120 | 825 | 705 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (26,280) | (26,280) | - | 26,280 |
| Total Other Financing Sources (Uses) | (26,280) | (26,280) | - | 26,280 |
| NET CHANGE IN FUND BALANCES | (26,160) | (26,160) | 825 | 26,985 |
| Fund Balances - Beginning of Year | 26,160 | 26,160 | 26,840 | 680 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 27,665</u> | <u>\$ 27,665</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | |
|--|---|-------------|-------------------|---|
| | Multi-Year Capital Project Accumulation | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | | | | |
| Net Investment Earnings | \$ 250 | \$ 250 | \$ 4,424 | \$ 4,174 |
| Total Revenues | 250 | 250 | 4,424 | 4,174 |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 250 | 250 | 4,424 | 4,174 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Reserves | (47,810) | (47,810) | - | 47,810 |
| Total Other Financing Sources (Uses) | (47,810) | (47,810) | - | 47,810 |
| NET CHANGE IN FUND BALANCES | (47,560) | (47,560) | 4,424 | 51,984 |
| Fund Balances - Beginning of Year | 47,560 | 47,560 | 50,414 | 2,854 |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 54,838</u> | <u>\$ 54,838</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | |
|--|---------------------------------------|-----------------|-------------------|---|
| | Capital Improvement Revenue 2006 Bond | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| Original | Final | | | |
| REVENUES | | | | |
| Licenses and Permits | \$ 33,500 | \$ 33,500 | \$ 29,729 | \$ (3,771) |
| Net Investment Earnings | 50 | 50 | 214 | 164 |
| Total Revenues | <u>33,550</u> | <u>33,550</u> | <u>29,943</u> | <u>(3,607)</u> |
| EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 33,550 | 33,550 | 29,943 | (3,607) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers Out | (37,023) | (37,023) | (30,878) | 6,145 |
| Total Other Financing Sources (Uses) | <u>(37,023)</u> | <u>(37,023)</u> | <u>(30,878)</u> | <u>6,145</u> |
| NET CHANGE IN FUND BALANCES | (3,473) | (3,473) | (935) | 2,538 |
| Fund Balances - Beginning of Year | <u>3,473</u> | <u>3,473</u> | <u>2,050</u> | <u>(1,423)</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,115</u> | <u>\$ 1,115</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | Variance with Final Budget Positive (Negative) | |
|--|---|-------------|-------------------|---|--|
| | Capital Improvement Revenue Note - 2011 | | | | |
| | Budgeted Amounts | | Actual Amounts | | |
| Original | Final | | | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - | |
| EXPENDITURES | - | - | - | - | |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - | |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers In | 303,780 | 303,780 | 303,780 | - | |
| Transfers Out | (303,780) | (303,780) | (303,780) | - | |
| Total Other Financing Sources (Uses) | - | - | - | - | |
| NET CHANGE IN FUND BALANCES | - | - | - | - | |
| Fund Balances - Beginning of Year | - | - | - | - | |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Capital Project Funds | | | |
|--|---|-------------|-------------------|---|
| | Capital Improvement Revenue Loan - 2016 | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| Original | Final | | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | - | - | - | - |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 5,930 | 5,930 | 7,558 | 1,628 |
| Transfers Out | (7,563) | (7,563) | (7,558) | 5 |
| Total Other Financing Sources (Uses) | (1,633) | (1,633) | - | 1,633 |
| NET CHANGE IN FUND BALANCES | (1,633) | (1,633) | - | 1,633 |
| Fund Balance - Beginning of Year | 1,633 | 1,633 | 1,633 | - |
| FUND BALANCE - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 1,633</u> | <u>\$ 1,633</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Debt Service Funds | | | |
|--|---|-----------------|-------------------|---|
| | Capital Improvement Revenue Loan - 2016 | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 6,123 | 6,123 | 6,123 | - |
| Interest | 1,440 | 1,440 | 1,440 | - |
| Total Expenditures | <u>7,563</u> | <u>7,563</u> | <u>7,563</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (7,563) | (7,563) | (7,563) | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 7,563 | 7,563 | 7,558 | (5) |
| Reserves | <u>(15,619)</u> | <u>(15,619)</u> | <u>-</u> | <u>15,619</u> |
| Total Other Financing Sources (Uses) | <u>(8,056)</u> | <u>(8,056)</u> | <u>7,558</u> | <u>15,614</u> |
| NET CHANGE IN FUND BALANCES | (15,619) | (15,619) | (5) | 15,614 |
| Fund Balances - Beginning of Year | <u>15,619</u> | <u>15,619</u> | <u>17,960</u> | <u>2,341</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 17,955</u> | <u>\$ 17,955</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Debt Service Funds | | | |
|--|---|-----------------|-------------------|---|
| | Capital Improvement Revenue Note - 2011 | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 269,905 | 268,234 | 268,234 | - |
| Interest | 33,875 | 35,546 | 35,546 | - |
| Total Expenditures | <u>303,780</u> | <u>303,780</u> | <u>303,780</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (303,780) | (303,780) | (303,780) | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 303,780 | 303,780 | 303,780 | - |
| Reserves | <u>(50,654)</u> | <u>(50,654)</u> | - | 50,654 |
| Total Other Financing Sources (Uses) | <u>253,126</u> | <u>253,126</u> | <u>303,780</u> | <u>50,654</u> |
| NET CHANGE IN FUND BALANCES | (50,654) | (50,654) | - | 50,654 |
| Fund Balances - Beginning of Year | <u>50,654</u> | <u>50,654</u> | <u>50,655</u> | <u>1</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 50,655</u> | <u>\$ 50,655</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Debt Service Funds | | | |
|--|---|-----------------|-------------------|---|
| | Capital Improvement Revenue Bond - 2006 | | | |
| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
| | Original | Final | | |
| REVENUES | \$ - | \$ - | \$ - | \$ - |
| EXPENDITURES | | | | |
| Debt Service: | | | | |
| Principal | 9,000 | 9,000 | 9,000 | - |
| Interest | 3,878 | 3,878 | 3,878 | - |
| Total Expenditures | <u>12,878</u> | <u>12,878</u> | <u>12,878</u> | <u>-</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (12,878) | (12,878) | (12,878) | - |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 12,878 | 12,878 | 12,878 | - |
| Reserves | <u>(13,857)</u> | <u>(13,857)</u> | - | 13,857 |
| Total Other Financing Sources (Uses) | <u>(979)</u> | <u>(979)</u> | 12,878 | 13,857 |
| NET CHANGE IN FUND BALANCES | (13,857) | (13,857) | - | 13,857 |
| Fund Balances - Beginning of Year | <u>13,857</u> | <u>13,857</u> | <u>13,858</u> | <u>1</u> |
| FUND BALANCES - END OF YEAR | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 13,858</u> | <u>\$ 13,858</u> |

CITY OF BROOKSVILLE, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

| | Permanent Fund | | | Variance with Final Budget Positive (Negative) |
|--|-------------------------|-----------|-------------------|---|
| | Cemetery Perpetual Care | | | |
| | Budgeted Amounts | | Actual Amounts | |
| Original | Final | | | |
| REVENUES | | | | |
| Net Investment Earnings | \$ 200 | \$ 200 | \$ 7,122 | \$ 6,922 |
| Total Revenues | 200 | 200 | 7,122 | 6,922 |
| EXPENDITURES | | | | |
| Public Safety | 323,611 | - | 8,900 | (8,900) |
| Total Expenditures | 323,611 | - | 8,900 | (8,900) |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (323,411) | 200 | (1,778) | (1,978) |
| OTHER FINANCING SOURCES (USES) | | | | |
| Transfers In | 10,000 | 10,000 | 10,000 | - |
| Reserves | (150,000) | (150,000) | - | 150,000 |
| Total Other Financing Sources (Uses) | (140,000) | (140,000) | 10,000 | 150,000 |
| NET CHANGE IN FUND BALANCES | (463,411) | (139,800) | 8,222 | 148,022 |
| Fund Balances - Beginning of Year | 463,411 | 139,800 | 437,956 | 298,156 |
| FUND BALANCES - END OF YEAR | \$ - | \$ - | \$ 446,178 | \$ 446,178 |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2024**

| | Internal Service Funds | | | | | Total Internal Service Funds |
|--|------------------------------|--------------------------------|----------------------------------|------------------------------|-----------------------------|---------------------------------------|
| | Fleet Maintenance Fund | Vehicle Replacement Fund | Equipment Replacement Fund | Employee Benefits Fund | Health Insurance Fund | |
| ASSETS | | | | | | |
| Current Assets: | | | | | | |
| Pooled Cash and Investments | \$ 40,976 | \$ 2,864,506 | \$ 13,017 | \$ 10,295 | \$ 488,730 | \$ 3,417,524 |
| Prepaid | - | - | - | 24,711 | - | 24,711 |
| Inventories | - | - | - | - | - | - |
| Total Current Assets | <u>40,976</u> | <u>2,864,506</u> | <u>13,017</u> | <u>35,006</u> | <u>488,730</u> | <u>3,442,235</u> |
| Noncurrent Assets: | | | | | | |
| Machinery and Equipment | 41,954 | 2,127,170 | 141,434 | - | - | 2,310,558 |
| Right-to-Use Leased Asset | - | 394,518 | - | - | - | 394,518 |
| Less: Accumulated Depreciation | 36,012 | 1,888,138 | 81,756 | - | - | 2,005,906 |
| Net Capital Assets | <u>5,942</u> | <u>633,550</u> | <u>59,678</u> | <u>-</u> | <u>-</u> | <u>699,170</u> |
| Total Assets | <u>46,918</u> | <u>3,498,056</u> | <u>72,695</u> | <u>35,006</u> | <u>488,730</u> | <u>4,141,405</u> |
| LIABILITIES | | | | | | |
| Current Liabilities: | | | | | | |
| Accounts Payable | 3,868 | 9,941 | - | 16,907 | 60,852 | 91,568 |
| Accrued Wages Payable | 3,582 | - | - | - | - | 3,582 |
| Accrued Compensated Absences - Current | 2,301 | - | - | - | - | 2,301 |
| Other Current Liabilities | 809 | - | - | - | - | 809 |
| Leases Payable | - | 94,266 | - | - | - | 94,266 |
| Total Current Liabilities | <u>10,560</u> | <u>104,207</u> | <u>-</u> | <u>16,907</u> | <u>60,852</u> | <u>192,526</u> |
| Noncurrent Liabilities: | | | | | | |
| Leases Payable | - | 199,302 | - | - | - | 199,302 |
| Total Liabilities | <u>10,560</u> | <u>303,509</u> | <u>-</u> | <u>16,907</u> | <u>60,852</u> | <u>391,828</u> |
| NET POSITION | | | | | | |
| Net Investment in Capital Assets Unrestricted | 5,942 30,416 | 339,982 2,854,565 | 59,678 13,017 | - 18,099 | - 427,878 | 405,602 3,343,975 |
| Total Net Position | <u>\$ 36,358</u> | <u>\$ 3,194,547</u> | <u>\$ 72,695</u> | <u>\$ 18,099</u> | <u>\$ 427,878</u> | <u>\$ 3,749,577</u> |

CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2024

| | Internal Service Funds | | | | | Total Internal Service Funds |
|-----------------------------------|------------------------------|--------------------------------|----------------------------------|------------------------------|-----------------------------|---------------------------------------|
| | Fleet Maintenance Fund | Vehicle Replacement Fund | Equipment Replacement Fund | Employee Benefits Fund | Health Insurance Fund | |
| OPERATING REVENUES | | | | | | |
| Charges for Services | \$ 207,118 | \$ 227,732 | \$ 20,000 | \$ 63,871 | \$ 1,085,807 | \$ 1,604,528 |
| Miscellaneous Revenues | 571 | - | - | - | 9,280 | 9,851 |
| Total Operating Revenues | <u>207,689</u> | <u>227,732</u> | <u>20,000</u> | <u>63,871</u> | <u>1,095,087</u> | <u>1,614,379</u> |
| OPERATING EXPENSES | | | | | | |
| Personnel Services | 142,519 | - | - | 81,124 | 1,390,968 | 1,614,611 |
| Other Services and Charges | 53,059 | 25,904 | - | - | - | 78,963 |
| Depreciation | 637 | 196,533 | 8,418 | - | - | 205,588 |
| Total Operating Expenses | <u>196,215</u> | <u>222,437</u> | <u>8,418</u> | <u>81,124</u> | <u>1,390,968</u> | <u>1,899,162</u> |
| OPERATING INCOME (LOSS) | 11,474 | 5,295 | 11,582 | (17,253) | (295,881) | (284,783) |
| NONOPERATING REVENUES | | | | | | |
| Net Investment Earnings | 353 | 86,521 | 99 | - | - | 86,973 |
| Gain on Sale of Capital Assets | - | 3,772 | - | - | - | 3,772 |
| Total Nonoperating Revenues | <u>353</u> | <u>90,293</u> | <u>99</u> | <u>-</u> | <u>-</u> | <u>90,745</u> |
| CHANGE IN NET POSITION | 11,827 | 95,588 | 11,681 | (17,253) | (295,881) | (194,038) |
| Net Position - Beginning of Year | <u>24,531</u> | <u>3,098,959</u> | <u>61,014</u> | <u>35,352</u> | <u>723,759</u> | <u>3,943,615</u> |
| NET POSITION - END OF YEAR | <u>\$ 36,358</u> | <u>\$ 3,194,547</u> | <u>\$ 72,695</u> | <u>\$ 18,099</u> | <u>\$ 427,878</u> | <u>\$ 3,749,577</u> |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

| | Internal Service Funds | | | | | Total Internal Service Funds |
|---|------------------------------|--------------------------------|----------------------------------|------------------------------|-----------------------------|---------------------------------------|
| | Fleet Maintenance Fund | Vehicle Replacement Fund | Equipment Replacement Fund | Employee Benefits Fund | Health Insurance Fund | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | |
| Receipts from Customers | \$ 207,689 | \$ 227,732 | \$ 20,000 | \$ 63,871 | \$ 1,095,087 | \$ 1,614,379 |
| Payments to Employees | (152,293) | - | - | (75,005) | (1,367,669) | (1,594,967) |
| Payments to Suppliers | (51,366) | (15,962) | - | - | - | (67,328) |
| Net Cash Provided (Used) by Operating Activities | 4,030 | 211,770 | 20,000 | (11,134) | (272,582) | (47,916) |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | | | | | |
| Acquisition and Construction of Capital Assets | - | - | (16,641) | - | - | (16,641) |
| Principal Paid on Long Term Debt | - | (79,818) | - | - | - | (79,818) |
| Proceeds from Sale of Assets | - | 3,772 | - | - | - | 3,772 |
| Net Cash Used by Capital and Related Financing Activities | - | (76,046) | (16,641) | - | - | (92,687) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | | | |
| Interest and Dividends | 353 | 86,521 | 99 | - | - | 86,973 |
| NET INCREASE (DECREASE) IN POOLED CASH AND INVESTMENTS | | | | | | |
| | 4,383 | 222,245 | 3,458 | (11,134) | (272,582) | (53,630) |
| Pooled Cash and Investments - Beginning of Year | 36,593 | 2,642,261 | 9,559 | 21,429 | 761,312 | 3,471,154 |
| POOLED CASH AND INVESTMENTS - END OF YEAR | \$ 40,976 | \$ 2,864,506 | \$ 13,017 | \$ 10,295 | \$ 488,730 | \$ 3,417,524 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | | | | | | |
| Operating Income (Loss) | \$ 11,474 | \$ 5,295 | \$ 11,582 | \$ (17,253) | \$ (295,881) | \$ (284,783) |
| Depreciation | 637 | 196,534 | 8,418 | - | - | 205,589 |
| Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | | | | | | |
| Increase (Decrease) in: | | | | | | |
| Accounts Payable | 1,693 | 9,941 | - | 6,119 | 23,299 | 41,052 |
| Accrued Wages Payable | 770 | - | - | - | - | 770 |
| Other Current Liabilities | 165 | - | - | - | - | 165 |
| Accrued Compensated Absences | (10,709) | - | - | - | - | (10,709) |
| Total Adjustments | (7,444) | 206,475 | 8,418 | 6,119 | 23,299 | 236,867 |
| Net Cash Provided (Used) by Operating Activities | \$ 4,030 | \$ 211,770 | \$ 20,000 | \$ (11,134) | \$ (272,582) | \$ (47,916) |
| NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES | | | | | | |
| Capital Assets Acquired through Leases | \$ - | \$ 181,128 | \$ - | \$ - | \$ - | \$ 181,128 |

**CITY OF BROOKSVILLE, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 SEPTEMBER 30, 2024**

| | Private Purpose Trust Funds | Total Private Purpose Trust Funds | Pension Trust Funds | | Total Pension Trust Funds |
|---------------------------------|-----------------------------------|--|---------------------------------|------------------------------|------------------------------------|
| | Butterwick Bond Fund | | Fireman's Retirement Fund | Police Retirement Fund | |
| ASSETS | | | | | |
| Cash and Pooled Cash | \$ 1,765 | \$ 1,765 | \$ 186,035 | \$ 6,000 | \$ 192,035 |
| Investments: | | | | | |
| Debt Securities | - | - | 2,530,459 | 124,307 | 2,654,766 |
| Marketable Equity Securities | - | - | 5,505,040 | 200,564 | 5,705,604 |
| Real Estate Fund | - | - | 720,113 | - | 720,113 |
| Contributions Receivable | - | - | 16,759 | - | 16,759 |
| Total Assets | 1,765 | 1,765 | 8,958,406 | 330,871 | 9,289,277 |
| LIABILITIES | | | | | |
| Other Current Liabilities | - | - | - | - | - |
| Total Liabilities | - | - | - | - | - |
| NET POSITION | | | | | |
| Restricted for Other Purposes | 1,765 | 1,765 | - | - | - |
| Restricted for Pension Benefits | - | - | 8,958,406 | 330,871 | 9,289,277 |
| Total Net Position | \$ 1,765 | \$ 1,765 | \$ 8,958,406 | \$ 330,871 | \$ 9,289,277 |

**CITY OF BROOKSVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2024**

| | Private Purpose Trust Funds | | Pension Trust Funds | | |
|-----------------------------------|-----------------------------------|--|---------------------------------|------------------------------|------------------------------------|
| | Butterweck Bond Fund | Total Private Purpose Trust Funds | Fireman's Retirement Fund | Police Retirement Fund | Total Pension Trust Funds |
| ADDITIONS: | | | | | |
| CONTRIBUTIONS | | | | | |
| Employer | \$ - | \$ - | \$ 208,192 | \$ 24,360 | \$ 232,552 |
| Plan Members | - | - | 38,637 | - | 38,637 |
| State of Florida | - | - | 116,631 | - | 116,631 |
| Total Contributions | - | - | 363,460 | 24,360 | 387,820 |
| INVESTMENT EARNINGS | | | | | |
| Net Increase in Fair Value | - | - | 1,425,065 | 58,290 | 1,483,355 |
| Interest/Dividends | 190 | 190 | 205,095 | 14,646 | 219,741 |
| Total Investment Earnings | 190 | 190 | 1,630,160 | 72,936 | 1,703,096 |
| Total Additions | 190 | 190 | 1,993,620 | 97,296 | 2,090,916 |
| DEDUCTIONS: | | | | | |
| BENEFIT PAYMENTS | | | | | |
| | - | - | 507,093 | 30,521 | 537,614 |
| ADMINISTRATIVE EXPENSES | | | | | |
| | - | - | 86,533 | 32,328 | 118,861 |
| Total Deductions | - | - | 593,626 | 62,849 | 656,475 |
| CHANGE IN NET POSITION | 190 | 190 | 1,399,994 | 34,447 | 1,434,441 |
| Net Position - Beginning of Year | 1,575 | 1,575 | 7,558,412 | 296,424 | 7,854,836 |
| NET POSITION - END OF YEAR | <u>\$ 1,765</u> | <u>\$ 1,765</u> | <u>\$ 8,958,406</u> | <u>\$ 330,871</u> | <u>\$ 9,289,277</u> |



**INDEPENDENT AUDITORS' 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***

City Council
City of Brooksville, Florida
Brooksville, 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 Brooksville, Florida (City), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated November 8, 2025.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and responses we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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.

We consider the deficiencies described in the accompanying schedule of findings and responses as items 2024-001 to be material weaknesses.

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. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2024-002, and 2024-004 to be significant deficiencies.

Report on Compliance and Other Matters

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

City of Brooksville's Response to Findings

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

Purpose of This Report

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



CliftonLarsonAllen LLP

Lakeland, Florida
November 8, 2025



MANAGEMENT LETTER

City Council
City of Brooksville, Florida
Brooksville, Florida

Report on the Financial Statements

We have audited the financial statements of the City of Brooksville, Florida (City), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated November 8, 2025.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 8, 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 financial audit report. See the Status of Prior Year Findings section of the accompanying Schedule of Findings and Responses.

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. See Note 1 to the financial statements.

Financial Condition and Management

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

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

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

Special District Component Units

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


As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7, Rules of the Auditor General, the City of Brooksville Community Redevelopment Agency reported their required information in their audit report.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. Our current year findings and recommendations are listed in Appendix A to this Management Letter.

Purpose of this Letter

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



CliftonLarsonAllen LLP

Lakeland, Florida
November 8, 2025

APPENDIX A – CURRENT YEAR MANAGEMENT COMMENT

2024-003 – Noncompliance with Investment Policy and Florida Statute 218.415

Criteria: The City should conform with all requirements within its investment policy and requirements of Section 218.415, Florida Statutes.

Condition: The City did not comply with its investment policy or the continuing education requirements of Section 218.415, Florida Statutes. The policy and statute require the Director of Finance or designee responsible for investment decisions to complete eight (8) hours of annual continuing education related to investment practices and products. No continuing education was completed during the fiscal year.

Cause: The City did not have adequate monitoring procedures in place to ensure compliance with its investment policy and the continuing education requirements outlined in Section 218.415, Florida Statutes. Specifically, there was no process to track or verify that the Director of Finance or designee completed the required eight (8) hours of annual continuing education related to investment practices and products.

Effect: The City is not in compliance with Section 218.415, Florida Statutes.

Recommendation: The City should implement procedures to ensure compliance with its investment policy and Section 218.415, Florida Statutes. Specifically, the City should establish a process to track and verify that the Director of Finance or designee completes the required eight (8) hours of annual continuing education related to investment practices and products. This may include maintaining a compliance calendar, requiring documentation of completed training, and periodic review by management.

Views of responsible officials and planned corrective actions: Staff will provide quarterly updates to the City Manager on the progress of the continuing education requirements for the Director of Finance or designee to complete (8) hours of continuing education related to investment practices and products.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

STATUS OF PRIOR YEAR FINDINGS

| Prior Year Findings | | Current Year Status | | | Current Year Finding # | 2022-2023 Year Finding # | 2021-2022 Year Finding # |
|---------------------------------|--|---------------------|-------------------|-------------|------------------------|--------------------------|--------------------------|
| | | Cleared | Partially Cleared | Not Cleared | | | |
| Financial Statement Adjustments | Material Weakness in Internal Control over Financial Reporting | | | X | 2024-001 | 2023-001 | 2022-001 |
| Inventory - Supplies | Material Weakness in Internal Control over Financial Reporting | | X | | 2024-002 | N/A | 2022-002 |
| Budget | Internal Control Over Compliance | X | | | N/A | N/A | 2022-003 |

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
SEPTEMBER 30, 2024**

CURRENT YEAR FINDINGS

2024-001 – Financial Statement Adjustments

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: As part of the audit, we proposed adjustments to correct the following errors in the City's financial statements:

- Revenue and related receivables were recorded in the Utility Fund for nonexchange transactions that did not meet the eligibility or time requirements for recognition as of the year ended September 30, 2024.
- Asset disposal was not properly recorded in the Sanitation Fund, and related insurance recoveries were incorrectly classified as operating revenue. This resulted in misstatement of fund activity and overstatement of assets.

Criteria or specific requirement: The City's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Effect: Prior to audit adjustments, revenues and receivables in the Utility Fund were overstated, causing misstatement of assets and fund balance. Additionally, misclassification of insurance recoveries and failure to record asset disposal resulted in an overstatement of assets and fund balance in the Sanitation Fund.

Cause: Reconciliation and review processes did not detect errors in account balances.

Recommendation: The City should update fiscal year-end and monthly closing checklists to address those items noted herein. Trial balances should be reviewed to ensure that all accounts are reconciled, and any related adjustments are posted.

Views of responsible officials and planned corrective actions: Staff will review an end of the year report to ensure proper balancing of the general ledger funds and accounts. Procedures will be added to the end of the year checklist to ensure the general ledger accounts are balanced properly.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
SEPTEMBER 30, 2024**

CURRENT YEAR FINDINGS (CONTINUED)

2024-002 – Inventory Valuation

Type of Finding:

- Significant Deficiency in Internal Control Over Financial Reporting

Condition: During our audit of the City’s financial statements, we noted certain items included in the City’s inventory listing did not have an associated cost recorded in the accounting system. Management was unable to provide historical cost information or other documentation to support the valuation of these items. To obtain a reasonable estimate for these items, a current replacement cost approach was used, applying average costs of comparable items with similar type and utility.

Criteria or specific requirement: The City’s management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Effect: The absence of adequate controls over inventory valuation increases the risk of material misstatement in the financial statements. Using estimated costs without a documented methodology or supporting evidence may result in misstated inventory values in the financial statements, potentially impacting the accuracy of reported assets and related disclosures.

Cause: The City does not have sufficient procedures in place to ensure that all inventory items are recorded on an appropriate basis.

Recommendation: Management should conduct regular reviews to ensure inventory records are complete and accurate.

Views of responsible officials and planned corrective actions: Finance staff will work with the Utility Department and Inventory Specialist to ensure proper cost is included on all items in the inventory system.

**CITY OF BROOKSVILLE, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
SEPTEMBER 30, 2024**

CURRENT YEAR FINDINGS (CONTINUED)

2024-004 – Inadequate Controls Over Overtime Calculation for Firefighter

Type of Finding:

- Significant Deficiency in Internal Control Over Financial Reporting

Condition: During our audit, we noted that the City does not have effective controls in place to ensure overtime compensation for bargaining unit firefighters is calculated in accordance with the executed labor agreement between the City of Brooksville and the Brooksville Professional Fire Fighters Local #4661 of the International Association of Fire Fighters (IAFF), specifically Article 15-3.

Criteria or specific requirement: The labor agreement requires overtime to be calculated based on specific hour thresholds and pay rates outlined in Article 15-3. Internal control standards require management to design and implement controls that ensure compliance with contractual and legal requirements. The City's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Effect: The absence of adequate controls over overtime calculation outlined in the executed labor agreement between the City and Brooksville Professional Fire Fighters Local #4661 of IAFF increases the risk of noncompliance with contractual and legal requirements, and misstatement of payroll expenses in the financial statements.

Cause: The City does not have sufficient procedures in place to document that overtime calculations comply with the labor agreement.

Recommendation: Management should establish a formal review process to verify overtime calculations against the labor agreement before payroll is finalized, evaluate payroll system configuration to align with overtime provisions in Article 15-3, periodically test system settings for accuracy, and maintain evidence of management's review of overtime compliance as part of payroll approval.

Views of responsible officials and planned corrective actions: Finance staff will review payroll calculations for overtime prior to posting to the general ledger. Finance has set up a shift code in the finance software to calculate and document overtime properly.



INDEPENDENT ACCOUNTANTS' REPORT

City Council
City of Brooksville, Florida
Brooksville, Florida

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

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

Our examination disclosed the following deviations from Section 218.415, Florida Statutes. While the City does have internal control procedures in place related to investment activity, it was determined the City's Director of Finance or designee responsible for making investment decisions did not obtain the required eight hours of continuing education for the year ended September 30, 2024 as described in their investment policies as required by 218.415(14).

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

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

In our opinion, except for the deviation described above, the City complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
November 8, 2025



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